

Maclean's

CANADA'S WEEKLY NEWSMAGAZINE

SPECIAL ISSUE

JUNE 15, 1998 ON DISPLAY UNTIL JUNE 21

A national
survey shows
where the
health
problems are

Ranking the
health of
Canadians
and where the
money goes

The Maclean's Health Report



\$3.95



24

From The Editor

Be healthy, go west



The dismantling of Canada's traditional health-care system, starting with the federal government's retreat from a leadership role in funding medicine, has caused a national anxiety attack. At the community level—while governments were balancing their books—Canadians had to fight to get specialized treatment; they had



Members of the *Health Report* team (top row from left) Photo: Ghislain Peter Bragg, Senior Writer Barbara Winkler, Editor, Researcher-Reporter Marlene Olsen, Prgovian, and Graham now? O'Keefe, Assistant Editor Danylo Nowakowski, Marshall, Chet, Guy, Editor, Robineau Taylor, Rance

to fight to get their loved ones into a hospital bed when that was essential; they had to fight to keep institutions open, and they have struggled to care for family members in a setting that provided little support in the home. As well, the entire medical profession has been reeling under the stress of shock attacks on resources. As detailed in the *Maclean's* Health Report starting on page 14, there is, effectively, no true national healthcare system in Canada. There is, to be sure, a reasonably high level of service and care, but it is not compared with the rest of the world. But the nation balances very strikingly. The four Atlantic provinces are at the rear of the pack in terms spending per capita, in overall health—and in life expectancy. The data reveal, in fact, that as you move west across the map, the population is healthier and living longer. In that respect, it is the East that is alienated.

There are many surprises and some good news in the statistics developed in partnership with the Ottawa-based Canadian Institute for Health Information. Two provinces, in particular, have been subjects of much media attention about hospital shortages—Saskatchewan and New Brunswick. Yet the survey shows that, rela-

tive to their populations, Saskatchewan ranks first in number of hospital beds, while New Brunswick tied for second. Prince Edward Island and New Brunswick are among the leaders in increasing the number of residential beds as an alternative to hospital stays—the wave of the future. One key lesson that emerges from the report is how a bad lifestyle can hinder chances of living a healthy life. We have seen the enemy—and it is us.

The special 26-page package was expanded and edited by Assistant Managing Editor Robert Marshall. Bits from included Senior Writer Warren Carnegie, Section Editor Mark Nichols, Assistant Art Director John Edney, Researcher-Reporter Sue Ferguson and Design Coordinator Bevly Baynes. The *Maclean's* Health Report would not have been possible without the partnership of CEO Richard Abbott and his associates at CIHI in Ottawa. Clearly, more information is needed for national health care. But, as Armstrong notes, "we see the *Health Report* as an excellent opportunity to contribute our wealth of information and expertise to broadening public understanding and discussion on key health issues. We believe it is an important first step in providing a statistical portrait of our health and healthcare systems."

Robert Lewis

sponsored his years as a reporter for The Financial Post and its Ottawa editor and later editor-in-chief of The Toronto Star. Incipient last week, the Foundation's Excellence in Journalism Award. He joined Maclean's in 1956, became the Ottawa editor in 1960 and, after a stint with the Star, returned as editor-in-chief in 1971. By the time he left 11 years later, he

had redefined the magazine, built up the staff, secured the circulation and the future of 18 books, including *Wings and Power* and *The Canadian Establishment*, which generated a new realism in the coverage of Canadian politics and business. Currently he is working on *The Last Book* about the new Canadian establishment and contributes his weekly Nation's Business column in *Maclean's*. In presenting the award, Sally Armstrong, editor of *Homemakers* magazine, noted that Neiman's "extraordinarily high standard" had set "an example for every journalist in the country."

Newsroom Notes:

Life's achievements



Neiman, a photo

Peter C. Neiman, senior contributing editor of *Maclean's* and the editor who presided when the magazine went weekly in 1978, is the winner of the Lifetime Achievement Award presented by the Beijing Canadian Journalism Foundation in Toronto last week. The institute honored Neiman's illustrious career, which



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June 21 National Aboriginal Day

Share in the Celebration

On June 13, 1996, Governor General Ramon LeBlanc proclaimed June 21 as National Aboriginal Day. The Royal Proclamation stated that, "...the Aboriginal peoples of Canada have made and continue to make valuable contributions to Canadian society and it is considered appropriate that there be, in each year, a day to mark and celebrate these contributions and to recognize the different cultures of the Aboriginal peoples of Canada."

National Aboriginal Day also supports the vision outlined in *Gathering Strength - Canadian Aboriginal Action Plan*, which sets the direction for a new course among governments, Aboriginal groups and organizations and the private sector based on the principles of mutual respect, recognition, responsibility and sharing. National Aboriginal Day celebrations are built on partnerships that foster understanding of the diverse cultures of Aboriginal people across Canada.

The designation of this day recognizes the contributions of First Nations, Inuit, and Métis people to the development of Canada. It also supports the United Nations International Decade of the World's Indigenous People (1994-2004).

The federal government is encouraging all Canadians to celebrate, learn about, and honour Aboriginal peoples' cultural heritage on June 21.

The images in this photo montage reflect the diversity of Aboriginal peoples' customs past and present:

- An archival photo of Inuit hunters wearing sealskin skin clothing in a kipik made from seal skin.
- An Inuit woman wearing a parka, designed and produced by Inuit women on Melville Island in the Northwest Territories.
- The Métis sash, a traditional item of clothing that today symbolizes the pride and honour of the Métis people, who helped to foster understanding between European and Aboriginal peoples.
- Few Nations children participating in a powwow, a type of celebration that is held by First Nations across North America.
- An archival photograph of Chief Poundmaker, the respected warleader and war chief of the Plains Cree people.

National Aboriginal Day is a day for all Canadians
Share in the celebration this year and every year!

For further information, telephone (800) 993-2580
Web site: <http://www.sac.gc.ca>



THE MAIL For sale by owner

I read your article "Lower fees for the sale" (Personal Finance, May 18) with glee since I have sold my home twice without the help of a real estate agent. May I tell you since I have sold my home twice without the help of a real estate agent, I am a better to sell on my own than in sell through an agent. The trick is to always have the house "show ready", the other trick is to ask for a realistic amount. People are under the misconception that you have to have a real estate agent for legal reasons. Regardless of using an agent or not, just always avoid a lawyer. Real estate agents are simply the middlemen.

John Proulx
Lachine, Que.

The price of freedom

Robert Lévesque's editorial "Playing pretty Republicans" is on the mark (From the Editor, May 28) except for his mention of "more than 5,000 French-Canadians" who were killed or wounded in Canada's war effort. The exact figure is difficult to give, but the total would be much closer to 3,000 if one considers that for every man killed, there were close to and sometimes more than three wounded. The casualty lists to

whatever savings we can squeeze out of people. What ever happened to the concept of government showing leadership?

Jeff Dillman
Calgary, B.C.

I still cannot understand why cause gambling is such a problem. I live in Niagara Falls and before the casino this town was sinking faster than the Titanic. Tourism are booming now. In the end, I guess time will tell. Until then, let the city prosper and keep our citizens working and earning a living.

Paul K. Léveillé
Niagara Falls, Ont.

Don Cherry's hockey

Don Cherry ("Is Don Cherry what's wrong with Canadian hockey?" Cover, May 28) has reduced our national sport to a game of skill, speed and fitness to bush-league hockey. We have to get back to the basic skills of the game and make it so everybody can participate, not just the Don Cherry crowd from his bush league.

Robert Trifunovic
Vancouver, B.C.

Don Cherry has had the well known hockey players on his Ontario Hockey League Junior A team. How different is that from the CRTC saying that all radio stations must play at least 30 per cent Canadian music? The CRTC quota is meant to help Canadian artists. Cherry is doing the same thing by giving upworking Canadian hockey players a chance to play in a league that helps them towards a career in hockey.

Steve Phillips
London, Ont.

What people like about Don Cherry is he is not afraid to speak his mind. The audience is keenly aware that he is not being told what to say by the people who pay him. The CBC deserves much credit for keeping Cherry on the Hockey Night in Canada broadcasts.

David Loomis
Calgary

Don Cherry lit a fire on April 11 during the Edmonton at Calgary game. During a break in the first period, he interviewed Alberta Premier Ralph Klein who was sitting in the stands. As the interview concluded and the puck dropped, a fight broke out, prompting Cherry to say that hey, there's a fight on the ice. This is great. I wondered what kind of message kids would take from that — such as an age when Canada supplies unstable, short-tempered guests to the NHL, while Europe provides the Jaromir Jagr, Daniel Alfredsson, Alexei Yashin, Pavel Bure, Teemu Selanne, Mats Sundin, Peter Forsberg, etc.

Jeff Marshall
Management One

Management Opportunities

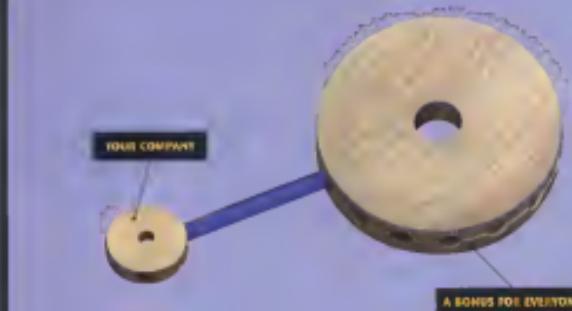
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Opening Notes

Edited by TANYA DAWIES



Karen Murray, hundreds of requests from men who want the real thing

On the trail of virtual Viagra

With the decay of many men, Viagra, the much-hyped potency pill from New York-based Pfizer Inc., is available only in the United States and a handful of other countries. This has led thousands of desperate Canadian men to cross the U.S. border for the wonder drug. But others are letting their endorphins do the border-hopping, screening the Internet for the handful of actually use-possible Web sites that sell Viagra prescriptions without

gen from us," she says. "Who apparently do not know that Viagra is not approved for sale in Canada or that the Virtual Dispensary is not a prescription service site as far away as Bahrain. 'It's incredible,' says the soft-spoken pharmacist. 'People will go to the ends of the earth to enhance their sexual performance.' OK, at least, they go as far as their computer terminals.

MacDonald was a pioneer for women in the French-speaking Canadian community, a tall bid for the Conservative party leadership in 1976. She also became the spouse of the first Tory, and now boasts that her greatest political achievement came in 1979-1980 when, as external affairs minister in the Mulroney-led Clark government, she led the move to adopt 100,000 Vietnamese boat people.

Last month, MacDonald visited South America to continue her latest cause—how to alleviate the poverty of the elderly. Her ideas will be passed on to the United Nations as it prepares for 1999, the International Year of Older Persons. MacDonald, a card-carrying member of the Progressive Conservatives, says she hopes her career might inspire young females—"women must be involved."

LILIE FISHER

Emporium

Number of times the National Hockey League Stanley Cup has been won by Canadian teams, according to USA Today: 19. By American teams: 30.

Sales of the 45-cent stamp depicting the Canadian flag versus sales of the same-value stamp showing Queen Elizabeth: 4 to 1.

(Source: Canada Post)

GOLDFARB POLL

The majority of Canadians say they aren't in charities. But more men than women, or if not about the same, and more Ontario men, and more, to it, than proper in other parts of the country. (Percentage of Canadians who have)

	TOTAL	W	M	PEOPLES	ONT	GBR	ATLANTIC	MALE	FEMALE
Post cards to charities	36	33	38	43	38	18	40	35	
Non-refundable grocery-bought charities	14	20	8	21	8	8	10	12	
Universal insurance tax	8	6	9	6	6	5	5	5	

Data collected in February 1997

(Source: Canadian Marketing Association)

an in-person medical evaluation.

Marie Berry would like everyone to know that hers is not such a site. For the past three years, the Winnipeg pharmacist and health educator has run a Web service called the Virtual Drug Store (www.virtuallabotary.ca), which disseminates information about new pharmaceutical products. But since Viagra came along, Berry has received hundreds of phone calls and e-mail requests from men who have seen the site and want not information, but the real thing.

"We've been getting an average about 40 requests a day to buy Viagra from us," she says. "Who apparently do not know that Viagra is not approved for sale in Canada or that the Virtual Dispensary is not a prescription service site as far away as Bahrain. 'It's incredible,' says the soft-spoken pharmacist. 'People will go to the ends of the earth to enhance their sexual performance.' OK, at least, they go as far as their computer terminals.

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A wreck rediscovered

In 1995, the 151st anniversary of the Empress of Ireland at the St. Lawrence River got scant attention. But now—in part, no doubt, because of the blockbuster movie *Titanic*—one of Canada's worst maritime disasters is generating a flurry of interest. The Quebec government of recently-declared the shipwreck a historic site. A book on the calamity, which took 1,013 lives, appeared in April. And there are plans for a \$1.2-million museum to be built adjacent to the Musée de la marine in Québec City. One, 10 km from where the Empress sank after being hit by a Norwegian oiler, "We often call it the forgotten tragedy," says Simon Cadieux, director of the museum fundraising campaign. "Because two months later than *Titanic* was the *Perito Moreno*."

Inevitably, the Empress prompts comparisons with the *Titanic*, which sank two years earlier, killing 1,523 people. There were several key differences: the Empress, owned by the Canadian Pacific Railway Co., had more lifeboats, but, because of a large bulk in its side, sank faster—in 14 minutes, compared with more than two hours for the *Titanic*.

"On the *Titanic*, people didn't have time to react," says Philippe Beaudry, a Longueuil, Que., financial adviser and founder of the Empress of Ireland Historical Society, who fought for years to get the site protected. He has made some \$400,000 in dues to the wreck, collecting 500 relatives—including survivors and a lineage brass bell from the mass. His own efforts will go on display this month at the 150th-anniversary museum near Québec City. The Empress is finally getting royal treatment.

DIRTY: David Fugitt, 82, owner of the 1983 Kentucky Derby winner Suny's Halo, in Toronto, after a long illness. Suny's Halo was one of only two Canadian-bred horses to win the Derby.

AWARDED: The 1998 Benjamin Franklin Award for best children's book in the United States, to Canadian author Susan K. Rennell, 35, and Laura McGraw, 45, for *Something to Remember* (McElday, in Chicago).

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HONORED: University of Toronto cardiologist professor Clifford Steers, 63, in the commission on policing in Northern Ireland, in Belfast. The eight-member commission is headed by Chris Patten, former British governor of Hong Kong.

RETIRING: Former downhill ski champion Kelli Pace Lindberg, 29, in Toronto. Pace Lindberg represented Canada at two Olympic Games, and was ranked number 1 in the world in 1993.

DIED: Country music singer Helen Carter, 70, in Nashville, Tenn. Carter was a member of the country group the Carter Family in the 1940s.

DIED: Rockabilly legend Doreen St. Clair, 51, in Milwaukee. St. Clair's career spanned five decades and included a role in the play *Guys and Dolls*, the longest-running musical in Broadway history.

DIED: Farmer mayor Sam Kirby, 86, at his home in Los Angeles. Kirby presided over the city from 1961 to 1973, a tumultuous time that included the 1965 Watts riots.

Passages

SEPARATING: Singer Karen Murray, 53, and her husband, Bill Langford, 60, in Thorold. Mr. Murray and Langford, a former television producer with the CBC, were married in 1975, and Langford has kept a low profile since. Murray has known for her hit *Breakfast at Tiffany's* and *Denney's Song* will remain in the family home north of Toronto with their sons, 21 and 19.

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The Health Report

COVER

The statistics reveal uneven levels of care

BY ROBERT MARSHALL

Where do Canadians live the longest and healthiest lives? Which provinces have the most hospital beds, doctors and nurses, or spend the most on health care? These are some of the findings in the inaugural *Marinell's Health Report*, presenting the best available

indications of the state of health-care delivery, produced by producer *Marinell* after they provide a fascinating inside view of health care in Canada—and the major differences among the provinces. Some highlights:

• Westerners are generally in better health and will live longer than Atlantic Canadians. Why? The answer may have as much to do with social conditions and lifestyle choices as with the standard of medical care.

• Across Canada, the numbers of hospital beds, nurses and, in some areas, doctors are declining. The latest per capita numbers show Newfoundland with the most beds, Prince Edward Island with the fewest. New Brunswick with the most nurses, Ontario with the most, Yukon with the most general practitioners. Prince Edward Island sits with the least and Newfoundland with the most specialists. The Northwest Territories have the least.

• British Columbia leads the provinces in health-care spending per capita. Newfoundland is at the other extreme.

• Rates at which medical conditions occur, procedures used to treat them, and the availability of the latest high-tech medical equipment vary—sometimes wildly—from province to province.

• Hospitals acknowledge that what they call "readmissions" do happen, but analysts say the rates of accidental injury are actually much higher than the numbers reported.

• Visits to hospital emergency departments have increased since the late 1980s, while use of other hospital outpatient facilities has increased.

• Newfoundland has the highest incidence of overweight people in its population. Quebec and British Columbia have the lowest.

The *Marinell's Health Report* appears at a time when Canadians are questioning ever a medicine system they proudly regard as a fundamental characteristic of their country. Their positive attitude is well placed. Canada ranks among the world leaders in the critical measurements of longevity, infant mortality and freedom from preventable disease. Given that accomplishment, citizens may seem to be content. But the fact is, Canadians do not get enough information about how well their health care dollars are being spent.

Is it too much, for instance, to expect a system that spends



THOMAS
CARPENTER
Takes rapid
decisions during
an open-heart
operation, as
shown in his



\$76 billion out of the country's treasures last year in the name of health care to show exactly how many people died in an hospital? Apparently so, because death statistics are complicated by the fact that some have pre-mortal EDGs (patients dead on arrival), and some don't. "Information gathering is improving," says Michael Devier, chairman of the Canadian Institute for Health Information, an Ottawa-based independent health data agency, and *Marinell's* partner in preparing the *Health Report*. I think CIHI and Statistics Canada are making ground. But it is astonishing how much more information for the consumer is available in the United States, says CIHI's executive director, Steve Lewis.

Gordon Laver's experience is an indicator of the need for more openness in Canada's health system. The Kingston, Ont., resident has helped found a patients' rights organization since the death of his 65-year-old wife last year just a month after being diagnosed with stomach cancer. "From the family doctor to the test centre to the hospital there was a litany of errors," says Laver. When he tried to get his wife's medical record after her death, "the hospital said no, I wasn't entitled to it," he says. Canadians are complacent. The same governments that squander health-care spending in the name of fiscal prudence and the need to "restrict care" are suddenly throwing money into the system. Alberta did it. Ontario did it. And last week, Quebec put \$110 million back into this year's health-care budget—as the province's 7,200 GPs, comprising of less pay, threatened to withdraw services for at least four days starting this week. Meanwhile, even as many experts say health care is the greatest federal health Minister Allan Rock says he is cutting an more money for home care and other programs in the next federal budget.

In the system suffering because governments made their cuts too harshly? Any attempts to address questions like that on a community level are frustrated by a myriad of problems: conflicting and privacy legislation, inconsistent measuring formats, differing functions of hospitals. Even the phrase "health care system" is a misnomer, Devier says, because it's made up of independent regions operating with little co-operation. No one agency is managing the spending of all Canadian hospitals, or even comparing the care provided by major corporations. Only at the provincial and territorial level have standards

been made in reporting information in a consistent way, taking account of changes over time.

Macdonald's worked closely with CIHI to define the issues and gather the material that appears in this *Canadian Health Report*. Other organizations have published regular surveys of some aspects of the system—Statistics Canada, for instance, periodically reviews such issues as the distances people travel in various parts of the country to see a physician. And within provinces, major information gathering is much more advanced than it is at the national level. The Institute for Clinical Evaluative Sciences in Toronto has produced one exhaustive study of procedures and outcomes at all Ontario hospitals. And other reports are expected this year, including a province-wide comparison from the Ontario Hospital Association and another from the University of Toronto on patient satisfaction at the city's teaching hospitals.

The computer revolution has made information management much more efficient. "It's only now that technology is getting cheap enough that we can measure the indicators of health care delivery," says Devier. "Until now, we've been saying, 'Sure, there's a wait in emergency, but how bad is it? No one knows.' But are health authorities across Canada devoting enough of their budgets to prove that? Is the answer that patients—so-called potential patients—want to know? 'We don't know,' says Devier, "because we don't collect that information."

Emergency and outpatients

More patients are going to emergency departments, and the total using all sources of ambulatory services is up only marginally from 1986-1987 levels.

	Visits in millions	% change 1986-1987 1987-1988
Outpatient medical services, day or night	1.8	+3.9
Outpatient surgical services, day or night	1.33	+33.8
Outpatient clinics	14.3	+5.52
Emergency	18.82	+7.2
Total visits	33.3	+3.43

* Preliminary estimates.

SOURCE: STATISTICS CANADA 1986-1987 AND 1987-1988 SURVEYS OF HOSPITAL AND CLINIC USE

Going straight to the source

The collection of medical data underwent a revolution in 1993 with the creation of the Canadian Institute for Health Information. An independent, non-profit national agency, it was created by Ottawa and the provinces to develop and maintain a comprehensive and automated medical information system for Canada. Taking over some programs from Statistics Canada, Health Canada and some smaller agencies, CIHI has become the country's primary source of official health information. StatsCan still provides some health-related data, and specialized information comes from other agencies such as the Canadian Coordinating Office for Health Technology Assessment.

Most of the information in this package is drawn from CIHI's Discharge Abstract Database, which holds data as recent as 1996-1997. It records the procedures performed on more than 85 per cent of patients discharged from or who died in Canadian hospitals. The biggest missing element in Quebec, where only a handful of small institutions submit data to CIHI. Similarly, roughly 60 per cent of hospitalizations in Manitoba, and 20 per cent in Prince Edward Island, and just one per cent in Saskatchewan are not captured there.

Information for most of the full institutional component comes from the National Morbidity database maintained partly by CIHI and Statistics Canada. Its most recent data is from the fiscal year 1993-1994.

The high cost of healing

It's not how much, but where it's spent that counts most

BY WARREN CARAGATA

Despite how it may seem some days in the public arena, the debate over health care funding, governments in Canada have not run off the tap. Canadian spending on health care in 1997, up from \$25.5 billion a year earlier, and says Toronto health-care consultant Michael Deiter, chairman of the Canadian Institute for Health Information, "I do think there's a case that the overall system is underfunded." What has happened is that, in the name of fiscal discipline, the controls on the funding tap have become much tighter. What was once an annual flood of new money has been reduced to a yearly trickle of extra dollars. The once-raging growth in health care spending has ended. In the dry language of a 1997 report from CIHI, "Health care spending growth is virtually flat."

Beyond the question of how much money is being spent, the three key issues in the debate are the amount that the federal government contributes, the demand-side savings from budget increases, and, critically, how the money is spent. These are the areas where the revolution in Canadian health care is taking place.

The amount of federal money in the system is at the heart of an often bitter federal-provincial war of words. Even the experts at the Canadian Institute for Health Information, the independent agency charged with gathering and distributing health stats, find that figure difficult to determine. In 1996, the federal govern-

ment changed the way it finances health care, combining contributions for health, welfare and postsecondary education into a single fund, the Canadian Health and Social Transfer. As a result, comparisons between the CIHI and earlier levels of federal contributions are prefixes and suffixes.

But by the federal government's own accounting, the cash flowing to the provinces from the new program was to fall from \$11.9 billion in 1986-87 to \$12.5 billion in the current fiscal year. Ottawa now covers just 31.2 per cent of provincial government health expenditures, compared with 38.1 per cent in 1986 and 30.6 per cent in 1980. "There has been a major shift in the way in which health care has been funded," Saskatchewan Health Minister Clay Serby told Martin J. Serby, who this year chairs the national conference of health ministers, and as Ottawa has reduced its share, the provinces have been left to pick up the slack, particularly for new programs such as home care and for

the costs of drugs, a rapidly increasing area of health spending. CIHI figures indicate provincial and territorial government spending rose from \$42.1 billion in 1980 to \$48.6 billion last year. Only in Alberta did spending actually drop by a shade—by \$0.01 billion from \$8.8 billion. Among the provinces, spending in British Columbia rose the most dramatically over the seven years, an increase of \$2.1 billion or 45.2 per cent. In addition, the provinces as a rule have been devoting a slightly larger share of their total budgets to health care—32.3 per cent in 1986, up from 32.3 per cent in 1990. Ontario has the highest ratio among the provinces in 1996, spending 36.7 per cent of its total budget on health, while Quebec had the lowest at 29 per cent.

But provinces, too, have been wrestling with budget deficits, which has generally meant much less generous increases than were once the case. In fact, much of the rise in provincial spending came early in this decade with increases of more than eight per cent in both 1989 and 1990. From 1994 to 1995, spending by the provinces grew by an average of only 6.6 per cent annually. That is a big slowdown from the 1980s, when health administrators could look forward to average annual increases of 10 per cent.

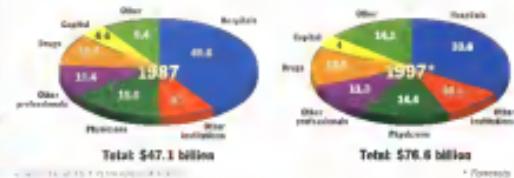
Financially, says Robert Plaza, a University of Alberta health care economist, higher budget control may have saved medicine by making it more affordable. As the '80s wore on, many observers were wondering how long the country could maintain a system that was gobbling up an ever-larger share of resources. By 1992, health spending had reached 10.2 per cent of total economic output—second only to the United States, and few of them were ready to hold their systems up again if needed. By 1993, Canada's health spending had slipped to 9.6 per cent of gross domestic product—trailing not only the Americans but the Germans and French as well.

The widespread public perception that health budgets have been slashed substantially may have grown out of the publicity surrounding hospital closures. One vivid symbol of the change, the Bow Valley Centre in Calgary, formerly Calgary General, a venerable 600-bed facility shut down last year. It was never closing, awaiting demolition. The public, Deiter says, has defined health care by the hospitals in their community. Closing a hospital is about the "hurting things anyone can do politically," he says, "because it's such a symbol."

Nationally, funding for hospitals as a proportion of total health spending dropped from 63.6 per cent in 1987 to an estimated 50.6 per cent in 1997. In Alberta over three years, says Plaza, "we wiped out 40 per cent of the acute-care hospital beds." And although the primary drive to close beds may often come from finance ministers rather than their colleagues in health care hospitals and schools, says Serby, "it's large." In Canada, says Serby, "we had too many hospitals and too many hospital beds." In 1994,

Shifting the focus away from hospitals

Percentage of total healthcare spending in Canada based on actual dollars



Where the money goes

Overall health-care spending, provincially and nationally, and spending on the highest categories of health budgets. Totals include smaller categories not covered in this table. The territories are unshown because of costs associated with large areas and small populations. (Spends are in actual dollars, per capita.)

	Actualized	Plan Bases	FPE	New Economic	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Tulson Territory	Northwest Territories	Canada	
1986	1994	1984	1994	1984	1994	1984	1994	1984	1994	1984	1994	1984	1994	
Hospitals	\$876.94	\$618.38	\$448.84	\$62.95	\$12.16	\$10.27	\$88.76	\$77.87	\$32.10	\$76.16	\$68.62	\$34.1	\$65.77	
Physicians	138.05	238.37	152.26	278.38	141.43	199.46	154.79	279.44	184.11	195.38	212.84	41.5	172.29	260.17
Drugs	214.46	382.31	189.21	338.67	251.38	361.56	255.12	326.14	185.02	302.32	186.33	180.2	182.22	261.86
Total	1,292.00	1,862.77	1,282.74	2,268.86	1,348.56	2,035.59	1,348.65	2,144.34	1,350.32	2,199.32	1,429.36	2,085.54	2,082.35	2,571.46
Ranking	9	10	10	9	7	3	8	7	5	5	4	2	3	3
	6	6	6	1	4	2	1	4	2	1	1	4	2	1

Source: Canadian Institute for Health Information



Shifting the burden

Ontario's health transfer payments to the provinces as a percentage of total health spending by each provincial government

	1985	1995	% change
NF	12.7	24.8	+24.2
NS	31.5	24	-25.8
PE	31.5	23.6	-25.1
NB	30.7	22.8	-25.7
QC	29.8	23.9	-22.4
ON	27.1	29.4	+9.4
MB	27.4	29.8	+9.3
SK	28.8	22.4	-22.2
AB	24.3	23	-5.3
BC	27	29.1	+25.6
YT	30.7	18.6	-39.4
NT	29.6	19.3	-34.8

SOURCE: CHARTER INSTITUTE FOR HEALTH INFORMATION

Canada was spending a greater percentage of its health budget on hospital care than any other Group of Seven nation except Italy.

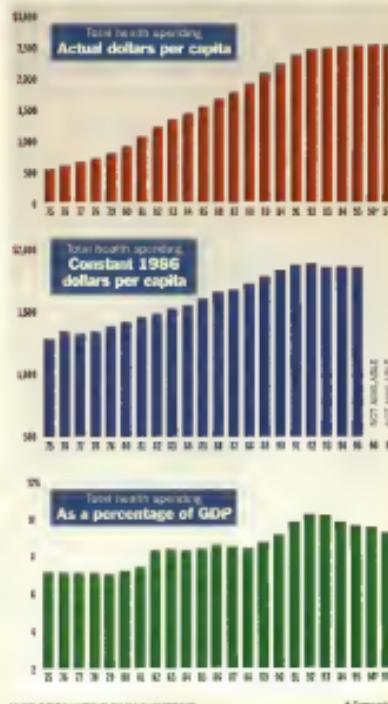
The handover of balanced budgets joined by governments of all stripes and with health costs spiralling, there was already widespread agreement that some form of health-care reform was overdue. "Everyone knew that they had to make some changes to the system," says Devetz, "but that really didn't happen until there was the financial issue to concern them."

When reform came, many people found the results too abrupt—and frequently it was, says Devetz. Too often, he believes, "we did it backwards, closing hospital beds before alternatives were available in the community." There is agreement among the experts that some moves have to be put back into the system to fill in some of the cracks left by a relatively abrupt change. The public, too, after generally endorsing cuts made in the name of deficit reduction, seems to support the idea of spending more money on health care. In Ontario, the Conservative government has started moving in that direction, giving extra money to hospitals to relieve the pressure on emergency services, and increasing spending on nursing homes, homes for the aged and home care. Health care was an issue in the Nova Scotia election, where the Liberal all were returned with a strong mandate, and in the New Brunswick Liberal leadership contest in which Couëlle Thériault became premier. At the federal level, the Liberals have raised the floor for cash transfers to the provinces to \$12.5 billion from \$11 billion, making good on a promise from last year's election.

Even so, many experts expect that the amount of funding for health care is adequate. And the changes do not pose a threat to the health of Canadians. "I don't think there's any evidence to show that the health status of Canadians has been diminished as a result of the

What's up, Doc?

Different measures of health-care spending show different recent trends



SOURCE: CHARTER INSTITUTE FOR HEALTH INFORMATION

* Forecasts

cuts," says Plaut. Dr. John Millar, who as provincial health officer advises the B.C. government on health matters, agrees. "There's enough money in the health-care system," says Millar. "What's needed is better money." But perception, as always, depends on your point of view. "If you're Mr. Jones and you're lying in a series, let me in halfway in a hospital," says Devetz, "then it's a crisis for you." The final verdict on Canada's ailing health revolution in health care may not be on whether change was needed, but how well it has been managed.

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A staffing crunch looms

It is difficult to imagine how things could get any worse—but they likely will. In Canada today, nurses are struggling under the burden of staff cuts and hospital policies that demand they work longer hours while caring for more and sicker patients. It is taking its toll: a recent survey showed that about 10 per cent of Quebec nurses suffer from severe stress and are ready to quit. Doctors, too, are frustrated by exhaustively workload and other problems such as poor access to diagnostic equipment. They also see their colleagues reeling from greater financial woes down in the United States. As a result, some are fleeing the country—a net loss of 525 active physicians in 1995. Although that is less than one per cent of the total physician base, it is up fully 130 per cent from 1985. Add to that the increasing medical needs of an aging baby-boomer population and what emerges is a formula to totally overwhelm the system. “I guess I don’t get sick in 20 years,” says Daniel Freychuk, a researcher for the Ottawa-based Royal College of Physicians and Surgeons of Canada, “because I don’t know who’s going to be around them to see me.”

There are no simple solutions. What is clear is that the system’s human resources—principally the general practitioners, family practitioners, specialists and registered nurses—are demanding to be heard in the midst of wholesale health care restructuring by the provinces. A case in point is Ontario. Over the past 10 years, it has slipped from fourth to last place among provinces and territories in terms of per capita numbers of working RNs. Diana Grimson, executive director of the Registered Nurses Association of Ontario, says more RNs have been replaced by lower-paid registered practical nurses and personal-care support workers with less training. But what Ontario

is losing, says Grimson, is the burgeoning creation of hidden costs. “The lower the education and staff level at the health-care provider, the higher the level of supervision required—more charge nurses, more nurse managers. And that’s big money.”

The provinces, meanwhile, have concerns of their own. Historically sound Alberta ranks only ninth in the number of GPs per capita, with 57.6, in specialists and ninth in RNs. But Garth Nairn, director of communications for Alberta Health, cautions against drawing conclusions based solely on those numbers. “We’re not particularly interested in per capita comparisons with other provinces,” Nairn says. “Our concern is whether we have the right amount of physicians and the right number of nurses in the right places.”

That said, Canada overall ranks a poor 26th among 28 members of the Organization for Economic Cooperation and Development in terms of per capita doctors. Furthermore, Dr. Victor Dredfield, president of the Canadian Medical Association, warns that a decision to reduce medical school enrollment in 1994 and 1995, along with recent reductions in medical faculty hiring to a six-year low, could exacerbate concern to undermine the system’s ability to meet patients’ needs. “The impact on health care hasn’t been bad so far,” says Dredfield, “because those who return to the service work longer and harder.” But even the most dedicated health-care workers eventually reach their limit.

Levels of service

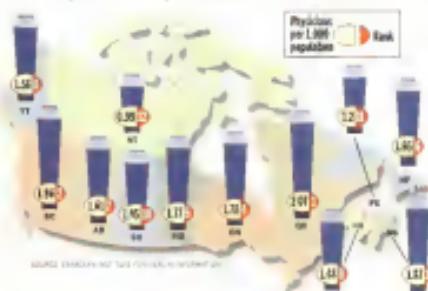
The number of general and family physicians, specialists and registered nurses per 1,000 population have shifted over a decade (ranking in red)

	GPs/PPs		Specialists		RNs	
	1987	1997	1987	1997	1987	1997
NP	1.92	1.01	0.10	0.09	7.16	9.2
NS	1	0.96	0.8	0.7	9.26	9.06
PE	0.86	0.79	0.54	0.51	9.33	9.35
NB	0.7	1.1	0.84	0.52	9.02	9.91
QC	0.95	0	1.02	0.97	7.75	7.55
ON	0.91	0	0.86	0.7	9.92	8.06
MB	0.89	0	0.88	0.8	8.99	9.22
SK	0.8	0	0.88	0.52	8.59	8.06
AB	0.86	0.79	0.75	0.7	7.76	7.43
BC	1.01	0	1.05	0.9	7.19	7.46
YT	1.03	0	1.34	0.18	11.22	9.55
NT	0.68	0	0.79	0.11	12.38	12.12
Canada	0.83	0.83	0.85	0.8	7.67	7.59

*Data: 1997 preliminary estimates

Where the doctors work

Number of physicians (including specialists), 1997



SOURCE: CYBERSTATS, DATA FROM CANADA'S HEALTH CARE SURVEY

DANYLO HOWALESHOKA



When hospitals lose beds

Next to overflowing emergency wards, one of the most obnoxious and unpredictable signs of the health-care reforms that many Canadians have been the unwilling subjects of is the closure of beds when they are needed. Since the mid-1980s, provincial and territorial governments have closed wards and hospitals—and the beds they housed. The net result was nearly 10 per cent fewer hospital and residential care beds in Canada by 1996 than in 1985. To cushion the blow, health-care reformers responded by replacing new beds with old. The reform programs have included shortening hospital stays for new mothers, postoperative patients and others; providing more procedures on an outpatient basis or in community clinics; and increasing the number of long-term-care beds in those who are not sickly or are not dropping an acute-care beds. It is all part of the health minister’s motto of “younger care.”

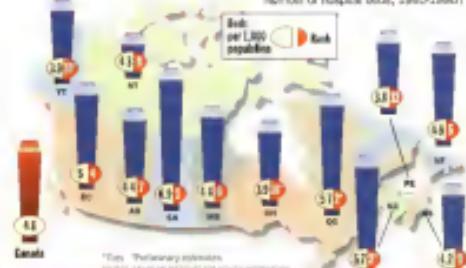
There was just one problem—and it was the ultimate catch-22. To save money in hospitals, longer-term patients had to be moved into a community program. But in some cases there was no money for community-care programs and funds could be saved from closing hospital beds. “We couldn’t run two agencies simultaneously,” says Dr. Dan Reid, a health ministry adviser in New Scotia. For provinces with neither the foresight nor the deep pockets to provide meaningful funding, the decision had to be “either hospital beds or add community programs later.” There were some terrible growing pains, says Reid, “but the world is behind us now.” He notes that New Scotia’s home-care budget has grown to \$379 million this year, up from \$13 million just three years ago.

But not everyone is convinced that a wholesale shift away from hospital care will ease a lot of stress. “There are economies of scale in hospitals,” says Wayne Taylor, a business professor at McMaster University in Hamilton who specializes in health service management. “There is not enough research, as we don’t know if we are creating dis-economies with community care.” Is the health care business worse these days, “bed” is not a comforting word.

HANNAH WICKENS

A bed to lie in

Number of hospital beds, 1995-1996



Bricks, mortar and high-tech scanners

Total health care spending on construction and equipment

	Capital spending (\$ billion)	% change	Total spending (\$ billion)	Capital spending as % of total spending
1977	\$23.70		\$651.44	3.6
1987	77.53	+227.13	1,772.42	4.4
1997*	160.51	+29.64	2,526.47	6

*Preliminary.

SOURCE: CYBERSTATS, DATA FROM CYBERSTATS

Musical beds

The change in numbers of hospital* and residential-care* beds since 1986-1987

	Hospital		Residential			
	1986-1987	1995-1996*	Change	1986-1987	1995-1996*	Change
NP	3,038	2,812	-22.7	4,180	4,389	+4.6
NS	5,547	3,981	-30.1	5,846	6,421	+10.5
PE	767	515	-32.9	1,274	2,179	+22.8
NB	5,181	4,364	-15.4	7,996	8,382	+4.8
QC	16,284	12,387	-24.6	48,249	40,981	-15.3
ON	62,131	44,129	-29.4	52,361	48,741	-7.5
MB	6,560	5,461	-16.8	12,389	12,981	+4.8
SK	7,656	7,063	-7.7	11,833	11,668	-1.5
AB**	18,393	12,267	-30.3	23,515	26,054	+13.3
BC	21,068	19,233	-8.6	25,900	26,933	+4
YT	154	122	-20.8	237	189	-25.7
NT	200	268	+26.2	162	239	+49.3
Canada	178,537	142,852	-18.9	237,338	233,847	-5.5

*Hospital patient, pediatric patient and rehabilitation

**Residential facilities for the aged, physically disabled, developmentally delayed, except long-term care, developmental disabilities, geriatric units since 1993-1994

**Residential facilities for the aged, physically disabled, developmentally delayed, except long-term care, developmental disabilities, geriatric units since 1993-1994

**Some data on residential reflect a slight change in reporting practices

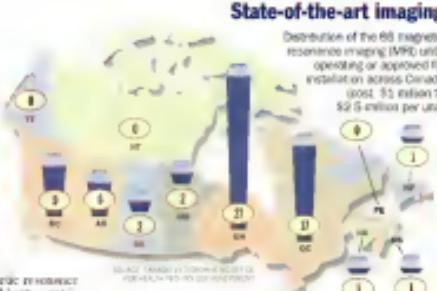


Scanners and blasters

As director of the positron tomography programme at the Hamilton Health Sciences Corp in Ontario Dr Claude Nahmias is in an unusual position—he oversees the operations of two nuclear cameras known as (PET) scanners. "They're almost one-third of the machines in Canada," says Nahmias, who believes, to do many other radiologists, that the diagnostic imaging technology—which shows levels of chemical activity in body tissues—deserves to be much more widespread. Moreover he believes many physicians think the Hamilton machines, like the others in Vancouver, Toronto, Ottawa and Montreal, are used predominantly for research, they do not refer patients as often as they might. But the Hamilton PET scanners are used mainly for clinical purposes, says Nahmias. The wait is usually less than two weeks, compared with six to nine months for non-emergency access to another high-tech diagnostic tool, magnetic resonance imaging (MRI). Says Nahmias: "We have a very well kept secret."

Word, and use, of the technology may well spread just as it has for MRIs and computerized tomography (CT) scanners before it. In the early 1970s, CT scanners—also known as CAT scanners—were considered a rare research tool. Unlike conventional X-rays, which are best at revealing bone and lung tissue, CT scanners were touted as a great advance for their ability to show detail in soft tissue. Now CT scanners can be found in virtually every 200-plus hospital in Canada, and new ones are still being installed. In fact, says for instance, the *New England Journal of Medicine* reported that the CT scanner is the diagnostic tool of choice for appendicitis, an otherwise notoriously difficult diagnosis.

Not all high-tech, big-ticket equipment becomes more popular with time. One example is the lithotriptor. That million-dollar ma-



State-of-the-art imaging

Distribution of the 68 magnetic resonance imaging (MRI) units operating or approved for installation across Canada (1991): \$1 million to \$2.5 million per unit

chine uses shock waves to dislodge kidney and ureteral

stones, which patients then eliminate in their urine. There are now 12 in Canada and that may be enough to handle the number of cases each year. Unlike diagnostic equipment, which comes under new demand as new applications are discovered, the lithotriptor is a "very limited device," says Dr. Alan Rowley, a co-director of the lithotriptor unit at Vancouver General Hospital. It does its job well but does only one job. Patients can now use the machines on an emergency basis within a few days. Any decisions in odd cases, Rowley says, would be based on how far patients must travel for treatment.

The MRI, still not as widespread as the CT scanner, shows even more detail in soft tissues. Particularly useful for studying the brain and spinal cord, it is a must for diagnosing multiple sclerosis. On the grounds that better diagnosis can prevent unnecessary surgeries—and save money—some provinces are on a buying spree. Ontario is increasing its MRIs to 22 by the year 2000—a decision prompted by a 1994 report from the Ontario Association of Radiologists. Among other things, it noted that Canada ranked behind world leaders Japan and the United States, and about equal to Turkey, in MRIs per capita. The association is now preparing a paper in support of PET scans. Nahmias's "well kept secret" may yet get out.

Deep-pocketed medicine

Who has the expensive equipment?
Units per million population in 1991

	CT scanners	PET scanners	MRI scanners
Typical cost per unit	\$200,000 to \$1.5 million	\$1 million to \$2.5 million	\$600,000 to \$1.5 million
NF	8 (0.5)	0	1 (0.2)
NS	9 (0.5)	0	1 (0.2)
PE	1 (0.3)	0	0
MB	8 (0.5)	0	1 (0.2)
QC	68 (0.2)	2* (0.07)	3 (0.4)
ON	64 (0.4)	4 (0.38)	3 (0.3)
AB	10 (0.4)	0	1 (0.0)
SK	7 (0.8)	0	1 (0.0)
BC	23 (0.2)	0	2 (0.7)
Total	244 (0.1)	7 (0.05)	14 (0.05)

*Includes one unit exclusively for research.

Source: Canadian Association of Radiologists, Canadian Institute for Health Information, Statistics Canada.



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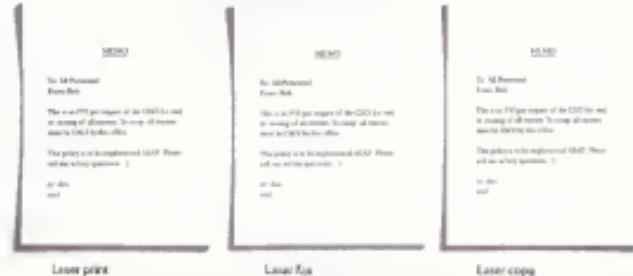
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Getting discharged earlier

For several decades, the length of time people spend in hospital for any reason has been in free fall. As a result, Canadian hospitals now have fewer than one-third as many beds per person in the population than they did 30 years ago.

Part of the change stems from the realization that keeping patients bedridden in hospitals can be a recipe for infections and problems brought on by immobilization. Technology is also hastening the process. For the past 30 years, the primary cause of treatment for an enlarged prostate has been TURP (transurethral resection of the prostate), which uses a telescope held to remove tissue and allow free passage of urine. Most patients keep patients in hospital for between three and six days after a TURP, while Alberta regularly discharges one day after the procedure. Between 1985 and 2004, the number of admissions for TURP fell 70 per cent, while the number of admissions for other procedures, such as outpatient procedures. Minimally invasive "key-hole" surgery has sped up recovery time for many other procedures by sparing patients the debilitating surgical wounds of the past.

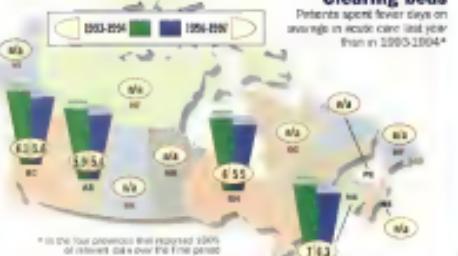
Since the early 1980s, a drive to shut down beds and close entire hospitals has put a premium on rapid patient turnover to free up bed space. "But there is a limit," says Dr. Charles Wright, director of clinical epidemiology and evaluation at the Vancouver Hospital and Health Sciences Centre, "and we are approaching it. In many parts of the country, the number of acute-care beds is now under severe stress."

The short-stay trends

Median number of days spent in hospital for four procedures: 1985-1996

	Gallbladder removal (age 10+)	Total hysterectomy (age 26+)	Transurethral resection of the prostate (TURP) (age 50+)	Radical mastectomy (females, age 25+)
NF	5	5	5	6
NS	2	4	4	5
PE	4	8	8	6
MB	2	5	5	5
QC	3	9	5	5
ON	1	4	4	3
MB	2	4	3	4
SK	2	5	5	6
AB	2	4	2	2
BC	2	4	3	3
Canada	2	5	4	4

Source: Canadian Institute for Health Information



Clearing beds
Patients spent fewer days on average in acute care last year than in 1985-1996*

Accidents will happen

In the language of the World Health Organization, accidental harm to patients is known as "iatrogenic inadvertence." By far the most common type of iatrogenic inadvertence in Canadian hospitals is an accidental cut, puncture, perforation or hemorrhage during medical care. The term also includes unanticipated blood during transfusions, foreign objects left inside patients during operations, failure of sterile precautions and failure of an instrument or equipment. Canadian hospitals report measurement low rates for such events, according to data from the seven provinces that provide the information in a manner that allows for comparisons. inadvertence is below 1 per cent of patients. In the United States and Australia, however, independent auditors have shown rates ranging from four per cent to 20 per cent. Even in the absence of comparable studies, says Dr. Philip Hibbert, a member of the University of Toronto's Joint Centre for Bioethics, "we can assume the rate in Canada is at least higher than one per cent."

Most Canadian hospitals do not have effective reporting requirements for inadvertence, adds Hibbert. And doctors, fearful of lawsuits, often do not tell patients about mistakes. In fact, most patients, when they are told, feel reassured, "says Hibbert. "What prevents many lawsuits is dishonesty and lack of disclosure."

	Patient harm inadvertence as percentage of hospitalizations 1995-1996	Reporting threat to medical
NF	0.35	2*
NS	0.8	0*
PE	0.2	1*
MB	0.3	2*
QC	0.2	1*
ON	0.2	1*
MB	0.2	1*
SK	0.8	0*
BC	0.5	5

*2000

Source: 1995-1996 Canadian Institute for Health Information



The warning signs

In a geography destiny? Residents of Newfoundland, and those in the Atlantic provinces in general, end up in hospital with heart attacks more often on a per capita basis, than anyone else in Canada. British Columbians are least likely. Of course, it is not actually where people live that determines whether they suffer heart attacks, but where does they live. And when it comes to major risk factors associated with heart disease, particularly smoking and high blood pressure, smokers lead the country. According to "Heart Disease and Stroke in Canada," a 1997 report by the Heart and Stroke Foundation, Canadian烟民s have the highest rates of smokers among the seven provinces, with 45 per cent. Ontario and Saskatchewan had the lowest (29 and 26 per cent, respectively) and also had the highest rates of patients diagnosed with high blood pressure. Alberta (9 per cent) had the lowest.

No matter where the patient lives, a heart attack can be devastating. Acute myocardial infarction—so it is known medically—occurs when an obstruction to one of the coronary arteries causes a closure or stops the blood supply to part of the heart muscle (the myocardium), causing irreversible injury. The blockage can result from a buildup of fatty substances called plaque, or, less commonly, from a blood clot. Depending on how much heart muscle is damaged, the individual can die, or die.

Still, live damage does not happen instantly. The longer an artery remains blocked, the greater the injury. That makes it critically important to get treatment as soon as possible. So—instead of the two hours or longer that about half of all heart attack victims wait to go to hospital. The key is knowing the warning signs, which can include pain in the middle of the chest, and pain that spreads to the shoulders, neck or arms. But warning signs other than chest pain are common, warning signs of a

Where heart attacks strike

Hospitalizations for acute myocardial infarction (heart attack), 1995-1996

	Hospitalizations	Rate per 10,000 pop. (rank in red)	% males	% dying in hospital (rank in red)
NF	1,278	29.1	62.6	13.4
NS	2,135	28.8	63.7	12.7
PE	294	19.4	63.3	14
MB	1,873	22.8	63.2	11.7
QC	14,323	26.4	7	12.7
ON	23,217	25.8	6	12.9
MB	2,091	26.1	63.2	24.5
SK	2,158	28	66.1	11.3
AB	4,665	26.8	6	20.1
BC	6,642	15.8	67.6	14.3
Canada	58,764	18.6	65	12.9

*2000

† Includes data from territories

Source: Canadian Institute for Health Information



No room on the ward

They are called "bed blockers." Through no fault of their own, they fill the beds late but never leave a fit, healthy and often lucid patient confined to over-stuffed emergency departments across the country.

With the numbers of hospital beds drastically reduced in many areas, seriously ill new arrivals had to spend days in stretches in the corridor. Meanwhile, comfortably occupying many of the available beds in the wards are patients who should not have been there. These bed-blockers were either well enough to leave but had nowhere to go for continuing care or were admitted unnecessarily for procedures or conditions commonly handled on an outpatient basis such as a tonsillectomy or a wisdom removal.

A problem for hospitals at any time, bed blockers have become more critical as acute-care beds disappear. One group of patients who formerly had a genuine need for acute-care treatment, but have recovered enough to be moved somewhere else. For the most part, they have no one at home who is fit and able to provide for their continuing needs or if these services are not available elsewhere in their communities. Hospitals discharge those patients to ALC, for either a lower level of care, and their numbers are growing. Of the six promoters of this line of reasoning, comprising over ALC data, only one—New Brunswick—managed to reduce their proportion over the past year.

Hospitals call another category of bed blockers MNHs, for may not require hospitalization. The "may" is important because some of those patients have complicating conditions that make hospitalization appropriate even for a MSH procedure. That may include anyone with epilepsy or a heart condition, for instance, who is under going a tonsillectomy.

Several factors distort the rates in both bed-blocker categories, among them patients who travel great distances for treatment—as in the territories, for instance. They may be kept in a hospital longer than local residents because it makes no sense to send them all the way home while there is still any chance of complications. But with so little slack in the system, bed blockers anywhere are making hospitals an uncomfortable place for the sick and still when they are admitted with no place free in the wards.

ROBERT MARSHALL

Stuck in bed

Percentages of patients discharged from acute-care hospitals who were well enough to have been cared for elsewhere at least one day earlier (below) and alternative level of care or ALC patients

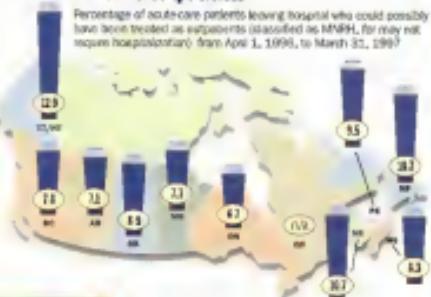
	1994-1995	1995-1996	1996-1997	% change
MF	n/a	0.45	0.64	+42.2
NS	n/a	0.87	0.77	+35.1
NB	0.37	0.22	0.18	-53.8
ON	1.84	1.92	2.05	+7.3
AB	0.84	0.76	0.87	+14.5
BC	n/a	1.64	1.37	+31.7

Data illustrate changes within each province over time. Only these provinces have reported data consistently over time; not comparisons between them may not be valid because they collect data differently.

SOURCE: CANADIAN INSTITUTE FOR HEALTH INFORMATION

Possible outpatients

Percentage of acute-care patients leaving hospital who could possibly have been treated as outpatients (classified as MNHs, for may not require hospitalization) from April 1, 1996, to March 31, 1997



Dubious admissions

Canada's top 10 reasons that people may have been admitted unnecessarily as inpatients of an acute-care hospital, 1996-1997

Diagnosis/ procedure	Number of people leaving hospital	Diagnosis/ procedure	Number of people leaving hospital
1. Total-ankle fracture	17,567	6. Sprain, strain or other minor injury on legs or feet (e.g., removal of braces, sores of ankle or ligament)	7,075
2. Urinary obstruction without complications	12,392	7. Sprain, strain or other minor injury among patients under 65	6,357
3. Adjustment disorders (e.g., grief, culture shock)	12,250	8. Obscure psychiatric diagnosis (e.g., emotional disturbance with no pre-existing mental condition)	5,828
4. False labor, less than three days	11,890	9. Sore throat	5,785
5. Simple transurethral or biopsy procedure without complications (e.g., aspiration of prostate, removal of blood clot or kidney stone without incision)	9,652	10. Nasal procedure (e.g., simple plastic surgery)	5,438

Data for short and long admissions for all patient cases. 40% in Manitoba, 57% in Prince Edward Island and 58% in Saskatchewan

SOURCE: CANADIAN INSTITUTE FOR HEALTH INFORMATION

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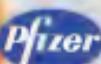
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Healthy habits, longer life

Being passed through the giant metal detector of a computerized tomography scanner, patients in a modern hospital might easily conclude that the wonderful advances in medical science surrounding them are responsible for Canadians living longer than ever. And while there is unquestioning admiration for the life-saving capabilities of modern medical care, a host of factors, having little to do with high-tech equipment, also contribute mightily to creating Canada's healthy society. It is a fact that Norman Bethune, the Canadian doctor-in-chief of the Chinese revolution, argued back in the 1930s, that conditions under which people live there—Canada and elsewhere—are more important to longevity than medical treatment has become less comprehensive and more centralized with the passing years.

Health professionals now refer to those factors as the "determinants of health." They include the lifestyle choices people make for themselves, such as diet and smoking, as well as the choices that are made for them, such as the health of an adult's mother during pregnancy and the wealth of the communities where people live. "Poverty, poor food, unsanitary surroundings, contact with infectious diseases, overwork and mental strain are factors of our control," lamented Bethune wrote in the 1930s. Decades later, a discussion paper adopted by the country's health ministers in 1994 noted in a similar vein that "factors such as living and working conditions are crucially important for health population."

As Canadians debate how much money their governments should earmark for health care, some observers note that spending on hospitals and doctors may be one of the least effective ways

of improving the health of Canadians. "There is mounting evidence," the health minister's document said, "that the contribution of medicine and health care is quite limited and that spending more on health care will not result in further improvements in population health."

And while eating greens, keeping fit and not smoking are widely accepted ways to improve health, the most important factors seem to be income and social status. The more central people have in their lives, the healthier they tend to be. "As your poverty goes down, unemployment goes up and education levels goes down, you find increasing mortality," says Dr. John Miller, B.C.'s provincial health officer. "It's sort of a straight line relationship." Overall, citizens of wealthy countries live longer than those of poor countries. Similarly, within Canada, residents of wealthy provinces generally live healthier and longer lives than their fellow citizens in poorer provinces.

Ranking poorly on health risks and social and economic measures, Newfoundland also turns up badly in measurements of people's health. That province has the shortest life-span for women, the sex and abortion life span for men, the highest mortality rate from heart disease and the second-highest male mortality rate in the country. On the other hand, Baffin Islanders tend to live long and prosper. In women, life is longest; as heart disease mortality rate is the lowest, and its proportion of smokers is the smallest.

Miller is not surprised by British Columbia's good showing. But differences between provinces are actually small. In fact, and much more significant differences within provinces. In British Columbia people in urban areas have a life expectancy five

Not just medicine

Below: Factors—status, health and lifestyle choices—with rankings in red—play a big role in determining health. A high ranking (low number) indicates a poorer health status. The composite ranking includes weight data shown in the map (right). The territories are not ranked because some data are not available.

	Incidence of low income**	Government transfers as percentage of total income	Unemployment rate, May***	Less than Grade 9 education****	Less than high school毕業*****	Smokers††	Percentage of women having 5 or more children†††	Composite total of all rankings	Composite rank
NF	21.4 2	24.6 1	39.8 1	17.5 2	2.48 7	25.89 5	55.87 4	23	1
NS	18.8 6	18.5 4	39.4 5	11.1 7	5.99 3	27.29 2	56.12 6	39	4*
PE	16.2 10	22.1 2	12.5 2	13.3 4	4.42 9	27.26 3	56.46 8	39	4*
NB	18 5	18.7 3	12.7 3	16.5 3	4.78 8	28.21 4	55.31 3	32	2
QC	23.4 1	16.2 8	10.5 4	18.1 1	5.25 4	29.06 1	58.08 1	27	2
ON	17.7 8	12.5 9	7.5 7	10 8	6.06 1	22.44 9	55.23 2	53	7
MB	20.8 3	15.5 7	9.3 10	12.6 6	5.5 5	23.95 7	50.79 8	52	8
SK	16.3 8	15.5 6	5.4 9	13.2 5	5.58 5	23.06 6	52.6 10	54	8
AB	18.4 7	18.8 5	5.2 8	7.5 8	5.59 2	23.32 8	55.52 3	55	8
BC	18.6 4	12.7 5	9.7 8	7.4 10	5.29 8	18.86 10	55.91 7	62	10
YT	n/a	9.2	n/a	5.7	4.26 n/a	n/a	n/a	n/a	n/a
NT	n/a	8.4	n/a	20.6	6.94 n/a	n/a	n/a	n/a	n/a
Canada	19.7	14	8.4	12.1	5.84	24.29	54.45		

Based on percentage of household income spent on necessities. *Recently adjusted, for population over 14 years. ****Percentage of population over 14 years.

††Percentage of women over 15 years smoking cigarettes daily.

†††Percentage of women over 15 years ever having 5 or more children.

How healthy are Canadians?

Selected key measures of health with rankings in red. A high ranking (low number) indicates a poorer health status. The composite ranking follows the same principle. The territories are not ranked because some data are not available.

	Life expectancy men	Life expectancy women	Infant mortality per 1,000 live births	Deaths due to heart disease per 100,000 people	Deaths due to cancer per 100,000 people	Smoking rate per 100,000 people	Composite total	Composite rank
NF	74.8 2*	80.5 1	7.8 2	185.3 5	216.6 1	65.18	21	1
NS	74.0 3*	80.8 3	4.8 8	209.8 1	186.4 4	62.5	23	2
PE	73.9 1	80.8 2	4.8 10	206.7 2	172.8 2	63.8 9	27	3
NB	75.2 5	81.2 5	4.8 8	202.5 4	186.9 3	62.1 4	36	5
QC	75.1 4	81.5 2	5.5 7	202.6 3	176.1 8	64.4 1	31	6
ON	76.1 8*	81.4 7	6 9*	179.7 5	175.7 7	54.8 6	43	8
MB	76.4 7	80.7 2	7.6 3	184.8 6	188.2 5	60.8 6	29	4
SK	75.3 6	81.5 8	8.1 1	171.6 8	173.7 8	64.3 3	38	8
AB	76 8	81.8 9	7 4	175.6 9	177.3 6	62.2 2	34	7
BC	76.3 9*	81.8 10	6 5*	166.3 10	155.8 10	68.6 7	91	10
YT	76.9	84.6	12.8	206.8	232.3	54.5	n/a	n/a
NT	n/a	76.8	15	204.6	176.5	51.6	n/a	n/a
Canada	75.7	81.6	6.1	184.5	175.2	62.9		

*+Ties. +Ties for infant mortality are three cases. All others are from 2000. 100-expecting to live more of life.

Source: Statistics Canada

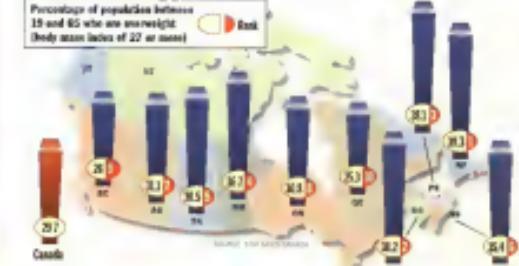
years greater than people in southern and rural areas. While Vancouver still, there is a similar gap between the wealth of Point Grey and the impoverished of the Downtown Eastside. Statistics on B.C. natives show an even wider difference, at 12 years less than the best life expectancies. "I don't think there's any room for gloating,"

says Miller. "With all the measurements pointing to education's pivotal role in determining health, finishing the homework may be an even better strategy than finishing the housework."

WARREN CARAGUA

Weight and wellness

Obesity is a major health problem in Canada and the developed world in general, leading to a wide range of ailments on the health-care system. One method of roughly determining a healthy weight is the body mass index, calculated by multiplying your weight in pounds by 705 and dividing that result by the square of your height in inches (height multiplied by itself). A normal reading between 20 and 24 is considered acceptable for most adults. Any weight with a reading less than 20 may be susceptible to health problems associated with being underweight. Health problems associated with being overweight begin to appear at an index rating of 25. Readings of 27 or more indicate an increased likelihood of developing health problems associated with obesity.





Consistently above average

Canadian, as a people not given to effusive displays of national pride, have always taken pleasure in the country's role as a world's great North. Not the blustery but neither poor nor ungenerous—but neither poor nor ungenerous—just—just above average. But when it comes to measuring the health of people around the world, the human development produced by the United Nations Development Program, annually ranks Canada on top. That is because the above-average Canadians consistently place near the top—in enough countries—that overall the country emerges in first place.

But adding numbers health quite directly to life expectancy. So that score, the reigning champion among the Group of Seven, stands as dental countries are the same—

men and women. Right behind Japanese men come Canadian men at 75.3 years. Among women, Canadians rank third at 81.2 years, trailing the French. The fact is, the key measurements of a society's health emerge not so much from the adequacy of its medical care as from the levels of life skills and education. As people in Ontario are generally healthier than their fellow citizens in Newfoundland, so, too, are Canadians generally more healthy than Mexicans. While differences between developed countries are relatively small—about half a year—separating life expectancies for women in France and Canada—Canadian women live, on average, more than three years longer than

Mexican women. The infant mortality rate in Mexico is more than 2½ times the Canadian rate.

Canada used to rank near the top of the G-7 pack on how much the country spent on health care as a share of gross domestic product—but with Germany far second place behind the United States in 1992. But fiscal restraint has taken its toll. By 1995, Canada had slipped four places behind France and Germany—in a result of a economic trend that has continued since then. But while the Americans are still by far the leaders, that has not translated into good health for all—their life expectancy is the lowest and their infant mortality rate the highest in the G-7. Japan, which spends half what the United States does as a percentage of GDP, ranks best on both counts.

In 1994, the latest year for which full comparative figures are available, Canada was still spending more on hospital care—generally hospitals—as a portion of overall health spending than any other G-7 country except Italy, and almost 50 per cent more than the Japanese. But hospitals have been the brunt of spending cutbacks since then. The end result when international comparisons are done, Canada most likely will emerge somewhat lower in the pack—even if it remains above average.

WARREN CARPENTER

A global accounting

Key measures of the state of health and levels of health-care spending in the leading industrial countries, plus Mexico (ranking in red)

	Life expectancy, men	Life expectancy, women	Infant mortality*	Health-care spending, men	Health-care spending, women	Long cancer mortality, men	Long cancer mortality, women	Health-care spending as % of GDP	Spending on hospital care as % of total health spending	Spending on physicians as % of total health spending										
Canada	79.3	81.2	15.3	6.02	5.5	288.2	5	780.8	5	247.8	7	421	5	8.8	4	96.3	2	148.5	5	
France	79.0	78.9	15.6	5.54	5	286.2	2	787.3	2	287.7	2	616.2	3	8.8	3	44.8	3	119.9	6	
Germany	79.5	79.8	15.3	5.53	2	190.1	4	337.1	6	95.4	5	416.4	4	10.4	2	38.4	8	36.7	4	
Italy	81	78.4	15.6	4.66	8	132.1	3	379.5	4	98.8	4	488.5	7	7.7	5	47	1	30.6	2	
Japan	82.6	81	15.4	8.43	1	446.8	1	1824.1	1	70	3	1882.2	2	7.2	8	31.1	7	35.2	1	
Mexico	76	78	60.5	8	1.7	23.6	6	553.9	3	54	1	118.2	1	4.8	6	n/a	n/a	n/a	n/a	
United Kingdom	79.7	81	15.3	4	8.82	4	323.6	8	1344.5	8	178.4	8	364.5	3	8.9	7	42.6	9	38.5	6
United States	79.2	77	15.2	7.5	8.8	385.5	1	958.5	7	299.3	2	476.4	8	14.2	1	43.5	4	30.3	3	

*As a percentage of GNP. The figures for Germany and Japan are from 1993; the others are from 1994.

**GDP as a percentage of GNP. The figures for Germany and Japan are from 1993; the others are from 1994. The results of the calculations above the number of calendar years of life lost from a particular cause per 100,000 population.

SOURCE: UNITED NATIONS, WORLD HEALTH ORGANIZATION, PROGRAMME FOR DISABILITY, SURVIVAL AND DEVELOPMENT

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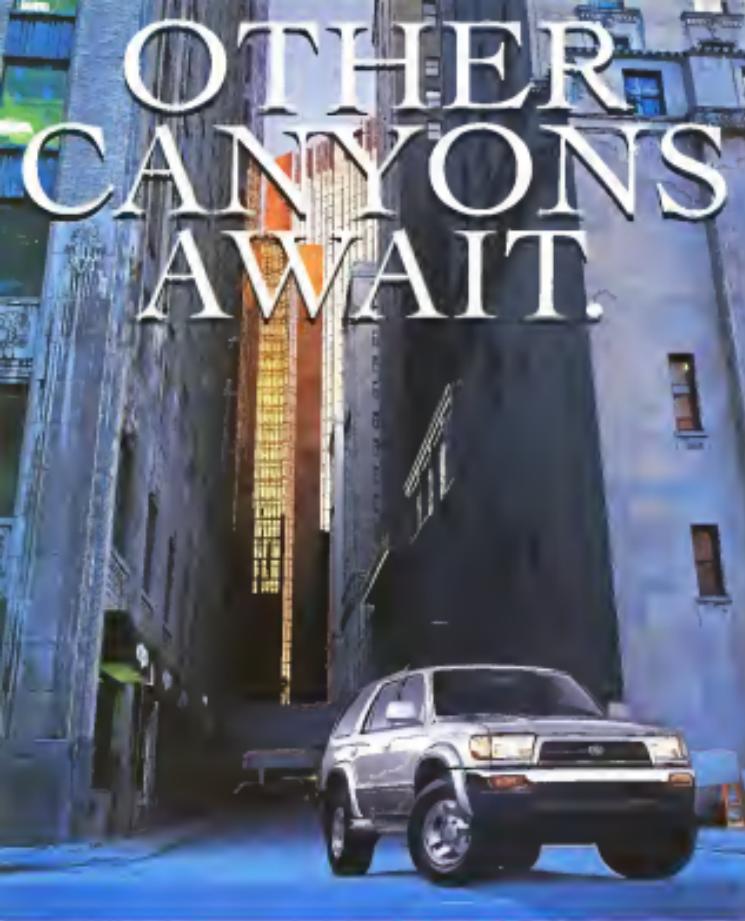
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OTHER CANYONS AWAITS.

COVER



Shocks to the system

BY JOHN DEMONT

What happened in Brantford, Ont., late last month differs only in detail from the wrenching experiences of communities across Canada. On May 20, Renée Cernace, CEO of St. Joseph's Hospital, received the news he was dissolving: a confirmation that his 100-bed chronic-care rehabilitation facility will close in 2006. "It was numb," says Cernace. Only a fraction of its 400 employees will have work at the site re-earning hospital serving an area population of 125,000, the 320-bed Brantford General. The northwestern Ontario community has tried for six months to master agreements for keeping St. Joseph's open, but members of the Ontario Health Services Restructuring Commission were unmoved. "They had made up their minds that there was going to be one facility in Brantford," says Cernace. "It was ideology, plain and simple."

Urgent-care hospital closures, wage increases in emergency. Patients lost for days as stretchers lie in corridors. Long waiting lists for surgery. Diagnosed doctors. Angry nurses. In the health-care system out of control? For at least a decade, health-care experts have been prescribing the need to revalue the system, to get more care and preventive measures into the community where they are needed. In practice, however, the pace of the wholesale restructuring that has cut through provincial health-care systems like so many scalps has been driven not by patient need-planning, but by fiscal priorities—the preoccupation with balanced budgets. And somewhere along the line, many of the previous got to see backwards. They paved back-care facilities before they had the necessary rehabilitation and home-care programs in place, consumers. "It is a little like the banks closing down their branches before they've got enough automated teller machines," observes Toronto-based health-care consultant Michael Devere, chairman of the Canadian Institute for Health Information.

Money, naturally, was at the root of the problem. As the federal fiscal crisis深ened, Ottawa slowed the flow of health-care funds to the provinces. (The Canada Health and Social Transfer—the main block



Calgary's New Valley Centre: an institute awaiting accreditation

The scalpel of health reform has left painful wounds

of federal funding to the provinces—fell to \$12.5 billion in 1996-1997, from \$19.3 billion in 1994-1995. Coincidentally, the federal cutbacks came at a time when the provinces were already in the middle of the biggest rethinking of health care since the Pearson government introduced medicare in 1966. The cutbacks, on the face of it, averaged about \$100 million a year. In fact, they were the money to reshape the system to meet the needs of the baby boomers who will be hitting old age within 15 years. A mass of heart bypass patients, for instance, will require lots of care after being operated on from hospital within a few days of being on the operating table.

While the strategy seemed to make sense, the problem has been in the execution. Canadians understandably grow uneasy when they hear of patients dying before being seen by medical staff or unopened emergency wards, or care have been cut in less instances, in Quebec and Manitoba, in the past winter, or when their rural hospitals are downgraded to community-care centres or closed altogether. They are concerned by what they hear about buried-out names and about overextended working parents struggling to look after their own aged or illigal parents at home because there are no alternatives in the community.

Whether the changes represent short-term boddocks in the system or deep-seated problems that will only worsen with time is unclear. Devere, for one, says that although some critics—primarily physicians' organizations—have been "crying wolf for years," it is a relatively manageable situation. "Some problems will take time to solve," he adds. "But the prognosis is helped by the fact that people are taking better care of themselves."

However long it lasts, the disruptions are already making it difficult

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for people to plan for the future. Increasingly, that the health-care system may become largely unaffordable. In 20 years, when the oldest of Canada's 9 million baby boomers have reached their 70s, many will require extensive health care. As well, improved drugs, new technologies and less invasive surgical techniques are dramatically reducing—in some cases eliminating—lengthy stays for procedures that once required long periods in bed, exposed to disease and infection that could be just as traumatic as the original illness.

The day comes when babies lying in their own beds are monitored electronically by doctors and nurses miles away. The upshot, almost certainly, will be a new type of health-care system—one in which hospitals mainly dispense services, and most of the post-treatment recovery, the rehabilitation and chronic care takes place in the home or a less-expensive rehabilitation institution. "The goal," says Duncan Sinclair, head of Ontario's Health Services Restructuring Commission, which is reshaping the province's health-care delivery, "is to build an efficient health system, a partnership between a whole range of providers offering a whole range of services."

A seismic shift of that sort involves a massive investment. Preparations are now under way for demolition experts to collapse the empty Bayview Health Centre, a once-proud 400-bed Calgary hospital that sits idle as its doors in April, 1997. As such as anything, that facility's decline symbolizes the shift taking place from big institutions to community-level health care. So far, the pain has been felt in provinces like Saskatchewan and British Columbia, which were already far advanced in their reforms when the fiscal crunch hit. Other provinces have found it more difficult to cope with major funding cuts as they struggle to restructure their own health-care systems.

Consider Nova Scotia, which in the early 1980s enjoyed one of the highest hospital bed-to-population ratios in the land, but had dropped to ninth place by 1985-1986. Since Russell MacLellan became premier last year, the Liberal government has shared up the system with an additional \$10 million for doctors' pay and a system of tele-medicine—using electronics to keep rural patients in touch with urban specialists. But it was clearly not enough to deflect Nova Scotians from after-peaking concern: the decline in hospital beds—about 3,500 today versus 5,800 in 1986-1987—and the downgrading of three rural hospitals to community health centres. Health care was a big issue when the province went to the polls in April, and MacLellan's Liberals barely survived with a vulnerable minority government.

That is not likely to instill confidence in other provincial governments facing elections as they try to reshape health care. In Ontario, for example, where an election is expected next year, the winter flu

outbreak overwhelmed many emergency departments. And that was even before the 40 hospitals that a commission has flagged for closure have shut their doors. Not surprisingly, Premier Mike Harris and his Conservative government, which has been working frantically to repair its battered red image, has pledged to open 20,000 more long-term-care beds and another 100,000 home-care places.

That is, or certainly is set. For now, Canadian governments spend roughly \$8 billion annually on home care—less than three per cent of the country's \$76 billion overall health-care spending. Experts generally agree that is far too little to cope with the emerging



Home care is the next priority

Reshaping Bay Valley
patients that you're in the
system out of control?

area. The home- and community-care demands seem staggering. They ask the simplest question—who will bring bedridden seniors their meals?—to the most complex, such as the kind of psychological support the person carrying the burden of the patient's care will need.

And, inevitably, who will pay for it? Provinces have an obligation under medicare's Canada Health Act to provide home care. But every province has voluntarily established a system in which patients at home are either looked after by governmental employees or the work is contracted out to nonprofit or commercial home-care agencies. Overall, though, Canada is a home-care crazy quilt with a wide discrepancy between the levels of services available from one province to another.

That is where Ottawa could come in. Experts like Dexter say home-care services should be covered under medicare. One complication could be the stiff resistance from the provinces to allowing Ottawa to set standards and principles for home care, then leaving the provinces to pay for the expensive system. And while Federal Health Minister Alan Rock says he is determined to put home care at the heart of the Canadian health-care system, his strategy has been subverted by the howl over health-care compensation. That may be bad news for the Liberals who want to get public credit for spending money directly on home care. Before Canadians can become confident that the health-care system is under control, there will be many more Bradfords to make them wonder.



Bradford's open-heart surgery team at work: the rate of dying during the operation has dropped dramatically

much more efficient because of budgetary constraints. They are discharging patients—even heart transplant recipients—sooner and performing fewer positive-pressure tests, changes that have freed up hospital beds and, in some cases, shortened waiting lists. "Surgeries are occurring in almost every industry," says Dr. Arvind Kothak, chief of cardiology surgery at the University of Alberta Hospital in Edmonton. "It's time to do it. Xerox has to do it, and so do we."

Cardiovascular disease, which includes strokes and other circulatory ailments, claims the lives of an estimated 70,000 Canadians annually—matched only by all cancers combined as a leading cause of death. Surgeons are continually looking for new procedures or devices that will improve results. Over the past two years, Dr. Raymond Carter of the Montreal Heart Institute has performed more than 200 bypass operations—in which a vein from the leg or the chest is grafted to the heart to replace a clogged artery—without stopping the patient's heart. Carter uses a novel device of his own design to introduce a small section across the damaged artery by allowing the rest of the heart to function during surgery, says Carter. Patients require less transfused blood, run a lower risk of suffering a stroke and can be discharged from hospital earlier. "For a heart surgeon, doing a triple bypass with the heart beating is like an antacid walking on the road," he says. "It's something you'd like to do, but never imagined it would happen."

Meanwhile, a colleague, cardiologist Russell Ross, has obtained promising results using small radiofrequency catheter to treat clogged arteries. He employs the technique during angioplasty, a procedure that involves running a catheter—a narrow tube—through an artery from the thigh to the heart. Then the cardiologist either inflates a miniature balloon to burst up a blockage, or inserts a spring-loaded device to open the artery. However, in nearly 40 per cent of patients, the artery becomes blocked again within six months. Now, Ross deploys tiny creaser pellets containing radiofrequency material to prevent the growth of new cells and a recurrence of the blockage. At an international conference in Washington in March, Ross reported that only three of 30 patients who received the treatment had experienced new clogging after six months.

Perhaps the biggest change in recent years has been the

BY D'ARCY JENISH

Healing hearts

BY D'ARCY JENISH



**Cardiologists'
patient lists
are growing**

Tony David, one of Canada's busiest heart surgeons, walks briskly into the operating room at The Toronto Hospital at 9 a.m. sharp. The eight-member team of doctors and nurses who will assist the 55-year-old, Brad-in-born surgeon has completed all the pre-instruments. The patient, a man in his late 50s, has been successfully theatre. He has been connected to monitoring and life-support machines. And his chest has been opened to expose his heart. Under David's scrubbing, the patient receives a potent muscle relaxant that stops his heart, and a bypass machine begins pumping oxygenated blood through his body.

Then the tall, slender surgeon goes to work. He strips a defective valve and replaces it with an artificial replacement. He cuts out teardrop-shaped fragments of exterior tissue and sews up the incisions to reduce the size of the man's stretched and damaged heart and make it pump more effectively. Finally, he removes an aneurysm—a dilated blood vessel that could burst and lead to death. In less than two hours, David is finished and the patient's heart is beating again. "I think he's going to be OK," the surgeon says as he leaves to prepare for his next patient, a 44-year-old man with severely blocked arteries.

David performs two or sometimes three operations daily, and up to 450 annually—20 per cent more than five years ago. And his schedule is not unusual. Most of Canada's 187 cardiac surgeons have seen their workload increase dramatically as the country's population grows and ages simultaneously, resulting in a sharp increase in the incidence of heart disease. At the same time, surgeons and cardiologists, like other health-care professionals, have become

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Becoming

DIGITAL in the 21st Century

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funds are transferred digitally from our bank accounts to

the stage's, when you send an e-mail message to someone

on the other side of the planet.

on the other side of the planet, digital bits carry our missive along sophisticated computer networks.

As we enter the 21st century, the trend to digitalization is accelerating. Canadians can carry out banking transactions over the Internet, paying bills and transferring funds digitally. They can load electronic cash into smart cards, and use it to feed the parking meter or pay bus fares. They can use the Internet to go shopping in online stores with huge selections and great prices. They can take digital snapshots, and with the click of a button, send them to loved ones a continent away. They can phone anywhere in the world over new wireless digital communications networks.

Making Pictures by Numbers



Series for the digital cameras. Digital cameras, like the Hewlett-Packard PhotoSmart C30 model, allow pictures to be stored electronically and transferred to a computer for modern photo finishing.

Digital photography has to be one of the most fun things you can do on your computer. With the right software, you can remove flaws like "red eye" from your snapshots, brighten up a dull photograph, alter the color balance, and even combine two pictures into one. Then when everything is just right, you can make a print that looks like it came from the photo lab. You can also include your picture in a greeting card, or e-mail it to friends and family thousands of miles away.

To get pictures into your computer, you can use a digital camera. Instead of registering images chemically on photographic film, digital cameras store pictures electronically on memory cards. You transfer images from the camera to the computer using a special cable and software that come with the camera.

Basic digital cameras start at around \$100. You will get much better picture quality from one of the new "megapixel" models. Available from companies such as Agfa,

Canon, Epson, Hewlett-Packard, Kodak and Olympus, mega-pixel digital cameras start at around \$500. At print sizes as large as five by seven inches, picture quality is as good as with conventional cameras.

You can transfer printed pictures to your computer using a scanner. Capable models are available for as low as \$200. If you are willing to spend more to get superb image quality, check out Hewlett-Packard's \$700 PhotoSmart scanner. In addition to scanning pictures, it scans 35mm slides and negatives, and produces professional quality results.

If you want to experiment with digital photography, you can have a photo store convert your images to electronic form. Photo retailer Block's will scan images to CD or diskette. For \$5.49, the company will scan an entire roll of film to its Internet site. You can then download your pictures to your computer and/or e-mail them to someone else.

Once you have transferred pictures to your computer, there are all kinds of things you can do with them. With simple image editing software from Photo Deluxe from Adobe Systems, PhotoSuite from AGI Software, and Picture It! from Microsoft, you can spruce up your images: cropping,



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the picture to leave out distracting material, lightening a subject that is too dark or sharpening a picture that is a little blurred. These packages will also help you make greeting cards and other documents.

Canon, Epson, Hewlett-Packard and Lexmark all have excellent general-purpose color printers that will do a good job printing the photographs from your computer. But if you are really serious about computer photography, consider a printer designed primarily for photo printing. Epson's new Stylus Photo 700 and HP's PhotoSmart printer can produce pictures that look as vibrant and detailed as conventional photographs.

Digital Banks Are Always Open

Canadians are some of the most inveterate users of electronic banking services on the planet. Now they are eagerly adopting PC

(personal computer) and Internet banking. Canada Trust has 215,000 customers using its EasyWeb service. At Toronto Dominion Bank, 180,000 people use TD Access PC and TD Access Internet. Over 240,000 people use CIBC PC banking.

With PC or Internet banking, you can view balances and activities on deposit accounts, view balances and activity for credit card and some loan accounts; transfer funds between accounts, and pay utility and other bills. You can even postdate payments, in case you are going to be away when a particular bill comes due. If you buy mutual funds or securities through your bank's retail brokerage, you can probably view your portfolio, get quotes and initiate trades.

The newest division of Bank of Montreal, mBank, is built entirely around electronic banking. While mBank customers can carry out transactions and get assistance at Bank of Montreal branches,

Facts at Your Fingertips

The Internet has masses of information on every conceivable subject. Sometimes, however, it is hard to know where to start.

If you are looking for information on a specific subject, your first stop should be one of the search engines. A search engine maintains information on the content of sites on the World Wide Web. You enter the address of the search site in your Web browser software. At the site, you enter "key words" describing the subject you want to explore. The search engine then lists sites that might contain the information you need.

There are dozens of search engines on the Internet: www.explore.com, www.lycos.com, www.yahoo.com, to name just a few. The most popular is Yahoo. Besides enabling users to perform keyword searches, Yahoo categorizes sites by subject matter. You can start by selecting a broad subject category, then narrow your search by selecting successive sub categories until you find something that interests you. Key word searching is faster if you know what you are looking for. Subject searching is better if you are not sure exactly what you want, or if you just want to do some casual browsing. The Canadian version of Yahoo, at www.yahoo.ca, lists Canadian sites first.

Yahoo is moving beyond its engine as a search engine to become a general news and information site. These features are being added to www.yahoo.ca. Plans for the site include a Canadian news section, sports, weather and a finance area.

The other way to make your Web foraging more productive is to list useful sites in the Bookmarks or Favorites section of your Web browsing software. After that, you can find your way there with a click of the mouse.

If there is a particular site that you always visit early on each time you are on-line, you can specify it as your start page. After that, you will be taken to the site you specify as soon as you log on, rather than starting at your Internet service provider's home page.

You can even get programs that automatically download information in categories that interest you from specific Internet sites. The software then displays the information on-screen for you to read off-line. Yahoo has a service that displays downloaded news information as a scrolling ticker tape.

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Making Movies the Digital Way

There are few surer ways to alienate friends than to force them to watch your home video. But if you can spruce up your video by removing uninteresting stuff and adding some explanatory dialogue, you may be able to get your guests to savor these videos.

It is possible to edit your videos on your computer with special add-on editing kits. A board that fits inside your computer grabs video from your camcorder and loads it onto the hard disk. The software lets you delete scenes you do not want and change the order of the scenes you want to keep. You can even add special effects, background music and a voice-over track.

A computer package cannot turn you into James Cameron, but it can give you a little help. The *Art of Cinema* video editing software included with the new *Marvin G200TV* from Montreal-based Mirro Graphics has 20 storyboard templates to guide you through the creative process. Created by professional scriptwriters, the templates provide suggestions for camera angles, scene lengths and transition effects.

Once you have finished your masterpiece, you can copy it from your computer onto VHS videotape or publish it on the World Wide Web.



Hollywood at home. Specialized software packages, including the Marvin G200 with VHS link, allow home video editors to professionally edit their masterpieces.

mbank is a direct bank. It has no branches of its own. Instead, customers perform transactions over the Internet, or by fax, phone, courier and mail or bank machines.

In some cases, banks offer discounts for banking online. At Canada Trust, free fee accounts that emphasize self-service transactions—including EasyWeb—are significantly cheaper than other accounts. Scotia Discount Brokerage reduces its trading fee by 20 per cent when you make the trade online.

Most banks do not charge for Internet banking, but just take the standard fees for bill payment. While Royal Bank has a monthly access fee, it provides a software program called *Managing Your Money* as part of the package. This lets you budget and track various household expenses.

It works much the same as popular personal financial management software such as Quicken and Microsoft Money. PC and Internet banking services can be programmed to automatically update your computer files if you are using one of these packages to manage your finances.

To do Internet banking, you launch your Web browser software, then when you are online, enter the address for your bank's Web banking site. You sign in by entering the number on your banking card, plus a password. You can then do practically everything you would normally do at a branch.

That includes getting information. On their Internet sites, banks have financial calculators to help you plan your retirement or figure out how large a mortgage you can afford. You can even apply for a

loan electronically.

But there are other places to get financial information. Quicken Canada (www.quicken.ca) has information on subjects such as tax planning and mortgages, as well as quotes on securities and mutual funds. "Quicken Canada is an impartial source of financial information for Canadians," says Peter O'Leary, vice-president of Rogers New Media, which operates the site. "And we have links to all the banks in various places on the site."

There Is Cash in Those Chips

Debit cards are tremendously popular with Canadians. However, they are not very useful for small purchases. To fix this void, Canadian banks are experimenting with electronic cash, where value is stored digitally on a "smart card." When you want to make a purchase, you hand the card to a retailer, who transfers the value to his card because there is no need for bank authorization, and because there is no need to make change, transaction time is very short—two or three seconds.

In Guelph, Ont., Canadian banks are conducting a trial of an e-cash system called Mondex. The 12,000 Mondex card holders in Guelph can transfer funds from their bank accounts to their Mondex cards at CIBC and Royal Bank ATMs and from specially equipped pay phones. There are even special telephones that let users perform Mondex transactions from home.

Mondex is accepted by over 600 merchants in the Guelph area, and can be used on the city's parking meters and buses. With Mondex, one individual can transfer funds to another individual's card, so that you can use Mondex to pay the pizza delivery person or babysitter. Mondex Canada plans to extend the trial to Sherbrooke, Que.

Scotiabank is conducting a trial in Barrie, Ont., of a different system called "Visa Cash." Visa Cash is accepted at over 500 Barrie merchants, on the city's buses, and in the cafeteria and vending machines of Georgian College. The 32,000 cardholders can be customers of any bank. They transfer funds to their Visa Cash cards using 100 special loading machines located in stores and banks.

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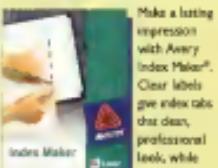
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After math A woman pays for public parking in Guelph, Ont., with her Mandex card. These parking meters are the only ones in the world that are Mandex-compatible.

Marlene Boynton, vice-president, Smart Cards for CIBC, says Mandex's chip-to-chip technology gives it some advantages over other cash card systems. It supports secure person-to-person transactions (directly, or over telephones or the Internet).

Visa Cash users don't have to register the cards or bank accounts, cautions Bob Louriburg, senior vice-president card products and marketing at Scotiabank. They just pick up the cash card, and use their current debit cards to transfer funds to the cash card. "Our card is simpler," he maintains.

Shopping at the Digital Mall

If technology forecasters are correct, we are going to be making a lot fewer trips to the store in a few years. International Data Corp. of Framingham, Mass., predicts that the worldwide value of commerce carried on over the Internet will grow to \$217 billion U.S. in 2001, from \$12.5 billion last year. The most rapid growth will be in business-to-business transactions, as more and more companies use the Internet to control inventories of materials. But the value of consumer transactions will grow rapidly as

well, to almost \$60 billion in 2001, from \$5 billion last year.

From a consumer point of view, there is a simple explanation for this growth: convenience and selection. Larry Stevenson, president and CEO of the Chapters bookstore chain, says the Internet bookseller his company is creating in conjunction with The Globe and Mail will be able to offer several times more titles than can be displayed in Chapters' huge retail locations.

From a business point of view, the explanation is just as simple. Not only does an Internet store have far broader reach than a retail store, it is far cheaper for businesses to offer goods online than to display them in a retail location.

Internet commerce works best where the product is a known quantity. While it is hard to tell from a Web site whether you will like an article of clothing, if you are looking for a specific CD or book, online shopping is a good bet. In fact, two of the most recognized names in Web commerce sell books (Amazon.com) and records (Music Boulevard). Not only do they offer a huge selection, they have reviews to help you find records and books you will like.

In fact, even if you do not actually buy a product online, the Internet can be a wonderful research tool. If you are in the market for a car, you can visit automotive manufacturers' Web sites to check out options, prices and leasing arrangements. That way, you will have a lot more information when it comes time to take some test drives.

Safe Online Shopping

When you want to buy a product over the Internet, you have to use a major credit card. Many Internet merchants will let you give credit-card information over the phone, but is it safe to send this information over the Internet?

Most online stores use secure sites. When you make a transaction, a feature in your browser software called "Secure Socket Layer" (SSL) scrambles credit-card and other information, so that it cannot be used by anyone other than the merchant.

Lynn Anderson, enterprise marketing manager for Hewlett-Packard (Canada) Ltd., says 56-bit SSL (one of the more secure forms) can be broken in 15 days on a \$1-million computer. HP has developed a

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a boyfriend and
a husband is a ring."*



Talk Anywhere, Anytime

very secure 128-bit SSL encryption system for online commerce called "VerSecure." She estimates it will take up to 38 years to break that system. It uses digital signatures to tie the transactions to a unique individual.

David Carter, marketing manager, Internet platforms at Microsoft Canada Co., says criminals are not likely to try to bust SSL. "It's easier to get credit-card information by rifling through the garbage at a gas station," he says. "I've never heard of credit-card fraud on the Net. Your credit-card information is much more exposed in real life than on the Net."



The family that phones together... while Miles and her children have fun keeping in touch with family and friends with their Canadian PCS phone.

Several companies, including Microsoft, are working on an Internet transaction scheme called "SET" (Secure Electronic Transactions) in which credit-card information remains encrypted all the way from the purchaser to the merchant's bank, so that not even the merchant can view it. There have been delays in bringing SET to market, but Carter says it will be deployed in the next 18 months.

Steve Gerasim, vice-president, interactive services at the Toronto Dominion Bank, advises Internet shoppers to exercise a bit of caution, but otherwise not to worry. "One of the things that customers are unaware of is that in the case of unauthorized use of your credit card, your liability is limited to \$50. My advice is to deal only with reputable suppliers you know. It's like going to New York City. If you go into bad parts of town, you'll get hurt. Use common sense as you would with traditional credit-card use, and make sure you use at least 40-bit SSL security to protect your credit-card number." ■

More and more Canadians are cutting the cord that connects them to the telephone network. New Digital Personal Communications Services (PCS) wireless telephones are becoming very popular. The Canadian Wireless Telecommunications Association predicts that 40 per cent of Canadians—13 million altogether—will own a wireless phone by 2005, compared with 14 per cent today.

PCS service has several advantages over regular cellular telephone service. Because it is digital, sound quality is better and it is private. It is impossible to eavesdrop on PCS conversations. Dropped calls are much less common. Battery life is several times greater with digital PCS service than analog cellular. For most users, PCS service is significantly cheaper than cellular.

Canada's PCS providers include Centel, AT&T, Quebecor, AcraCom (which operates the Fido network), and Mobility Canada, which includes Bell Mobility. They offer different features and rate plans. Here are questions to ask if you are shopping for PCS service:

- Where is digital service available? Most PCS phones are dual-mode types, so they will work in areas where there's only analog cellular service. But using the analog cellular network decreases battery life.
- When you are outside the area serviced by the PCS provider, can you use your phone? If you are a frequent traveller, ask how and where you can use your phone when you are on the road, and what it costs.
- Which rate plan best matches your calling pattern? For example, if you plan to use your PCS phone mainly on weekends, look for a plan with unlimited calling on them. If you make calls from within a restricted area, you may be eligible for billing discounts.
- How big is the local calling area? Where can you call before you have to start paying long-distance charges?
- What does the package include? Some providers include calls made from cellular areas in your monthly airtime package. Others charge extra. Some charge for airtime by the second from the time a call begins; others charge by the minute. Some include voice messaging and Caller ID in your monthly plan. Others charge extra.
- What are the terms of the contract? Are you getting locked into a rate plan for a long time, or can you change easily if competition drives rates down?
- What optional services are available? Some services have text messaging so that your phone also acts as a pager, and options that let your portable phone receive e-mail.

It's for you. Bigstar PCS wireless telephones like this feature model with a Fido network allow callers to talk anywhere, anytime.



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gradual but dramatic improvement in the safety of open-heart surgery. Dr. Hugh Scully, chief of cardiac surgery at The Toronto Hospital, notes that the risk of dying during elective coronary bypass surgery is currently less than two per cent, down from 5 to 10 per cent when he began practicing in the early 1970s. Surgeons have declined even as surgeons have taken on sicker patients and performed more complex procedures—replacing valves and doing bypasses in single operation, for example. “The mortality rate from surgery across Ontario is now as low as any major centre around the world,” says Scully.

Along with advances, demand has skyrocketed. Cardiologists performed almost 37,000 angioplasties in the year ending on March 31, 1995, up from about 1,000 a decade earlier, according to the Heart and Stroke Foundation of Canada.

At the same time, surgeons performed just over 15,000 bypass operations, almost twice as many as in 1984/1985. “We are really looking what the right rate of service is for most of these procedures,” observes Dr. David Nagle, CEO of the Institute for Clinical Evaluative Sciences, a non-profit health-services research organization in Toronto. “Centres tend to fall between the British, with their very restricted approach to high-technology medicine, and the Americans, who have been leaders in adopting high-technology and more invasive approaches.”

Rising demand has created bottlenecks for surgery and occasionally horror stories about patients dying on waiting lists—though that rate is just 4 per cent of heart patients in Ontario. Each province has its own method of prioritizing and admitting patients, but only Ontario maintains one list of all patients awaiting open-heart surgery, and ranks them according to need. Mark Vins, executive-director of the provincially funded Cardiac Care Network of Ontario, says patients are placed on the list once a surgeon decides they require an operation, and are released by the severity of their symptoms. On March 31, there were 1,328 patients listed, with an average wait of 45 days, down from 3,440 patients and 96 days a year earlier.

The decreases, Scully says, can be attributed to the fact that Ontario's surgeons, like their counterparts in most parts of the country, are performing far more operations than in the past. For example, the University of Alberta Hospital now does 20 open-heart surgeries a week, up from 15 in 1981. At the Health Sciences Centre in St. John's, Nfld., the number is expected to hit 550 this year, up from about 400 in 1987. The result, for the typical cardiac surgeon, is a punishing workload. Scully says he and his colleagues work 60 hours a week on average, up from 60 five years ago. “I don’t

know any who don’t work six days a week,” he says. “And on Sundays, you see half the surgeons in here checking on patients.”

Cardiologists also say that while patient loads have risen sharply and lineups lengthened, the providers have not created systems to manage access to their services. Consequently, patients may spend more time waiting to see a cardiologist than they do for surgery—problems generally overlooked in the public interest in budgets for heart operations. “Nobody talks about how long it takes to get from a general practitioner to a specialist, or the emergencies that occur,” says Dr. Charles Kerr, a Vancouver cardiologist who specializes in the treatment of irregular heart rhythms. “A person in northern B.C. often waits much longer than someone in the city. They often wait four to six months.”

However, the medical profession is paying close attention to the outcomes of coronary care. Since 1992,



David: two or three operations daily and up to 450 annually

Nagle's Institute has kept track of Ontario patients who undergo heart surgery and die before being discharged from hospital—so far the mortality rate is 2.6% to 3.4% per cent. And at Calgary's Foothills Hospital, Dr. Merrill Kavadas heads a three-year-old study that tracks patients who received angiograms—in which dye is injected into arteries to detect blockages—in order to determine the size of care they received, the cost and the results.

One of the most ambitious projects got under way last fall in Nova Scotia. Dr. David Johnson, chief of cardiology at the Queen Elizabeth II Health Sciences Centre in Halifax, says researchers will contact data on 10,000 heart patients this year. They will find out where have many received drug treatments, and evaluate the outcomes, before moving on to look at rates of hospitalization, surgery and death. “We should be able to do things better,” says Johnson. “This reflects the changes that are going on in health care.”

But for all the advances that remain, many former patients are more than grateful for the treatment they received. Murray Barron, now 41, a parts manager at a Saskatoon car dealership, suffered from a rare condition known as cardiomyopathy, a degeneration of the heart muscle thought to be caused by an incurable viral infection for many years before having a heart transplant in London, Ont., in October, 1992. He had lived with fatigue, periodic stomach pains and permanently cold feet due to poor circulation. “I’d never forget walking up to intensive care,” says Barron, a father of two. “The first thing I had was blood in the feet and legs. It was pretty amazing.” A heart-lung outcome in the battle against a major killer. □

On duty around the clock

BY MARY NEMECK

John Ronger had already worked a full week when, at 8 a.m. on a spring Saturday, he was back on call for 48 hours. He knew he would be in and out of the small hospital in Pincher Creek in southern Alberta, virtually around the clock, for the next 48 hours.

By midnight Saturday, the 40-year-old father of three and a grandfather of 10 was in bed, unable to sleep. He had to take three pillows, one on top of the other, to the bathroom at 4 a.m. to check on a sick child. And then at 7 a.m. he had to get up to do chores. By 8 a.m. on Monday he had seen 86 people in one morning, in addition to his rounds accompanying the hospital's 15 appointments, to capacity 110-hour week. His patients have ranged from three people with carpal tunnel to a man with a dog bite to his thumb and another who was lashed in the lower by a cat. He also has examined the body of a drowned 85-year-old man. All in all, he has typed shift for Borger, who usually marks six six-call days in a month.

It is exhausting and challenging, sometimes nerve-racking and often rewarding work. Yet certainly not for the faint of heart. Yet many rural physicians who have been adopting for years say they are still here now. They complain about long hours and on-call shifts, short notice time and having to keep up with all the training they have to do, and inadequate compensation for their work in rural provinces—a combination that is making it harder to attract new doctors to rural Canada. Some 400 rural physicians in Alberta were placed



ong to close their offices for a day this week. Saying that the \$10 million the provincial government has agreed to pay over three years for rural and small-cell services works out to about \$7 an hour (on top of their fees for each method served), the physicians are demanding triple that amount. A higher payment, they argue, would attract rural doctors to big-city hospitals.

in turn, paid certain and much smaller amounts to other health care providers. The province's 7,200 physicians were given a choice of plans and were given 10 days to change their in their current dispute with the province. In British Columbia, the provincial government announced last week it would pay medical fees for an walk-up visit to \$100 billion on fees for services, more if they flag those fees. That amounts after 22 non-B.C. physicians, largely based in other parts of the province, withdrew hospital services, everything but life or limb threatening conditions. Dr. Brian Beagle, one of the northern B.C. physicians, and the doctors have a new starting point," Beagle said. In the meantime, the rural areas restored some hospital services, including emergency and elective surgery.

Lawerman, mayor of Houston, one of the affected communities northwest of Vancouver, said that even if the doctors do not govern the plan, it will be a year or two before a final settlement is made. "It remains to be seen," he said, "whether we are going to increase the numbers of doctors coming to small towns in British Columbia, because that's been the bottom-

Rotigen semi-vaccinating and vaccinating work

“*not problems for 10 or 15 years or more.”*

Rural Canadians have long been accustomed to a different standard of care than their city cousins. No one expects a neurologist in every rural Canadian town, "but it's a goal," according to Keith MacLennan, M.D., president of the Society of Rural Physicians of Canada, "a widening goal a lot." Medical advances and new technologies are part of the reason. As racism becomes more prevalent, many general practitioners are no longer trained to tackle some of the problems they used to handle—osteoporosis, for example.

At the same time, even small budget cuts can have profound effects. The loss of a surgeon's local anesthetic, for example, might mean the end of all surgery, including emergency sections—and, on top of that, const. obstetrics, MacLellan points out that of the estimated 500 Canadian hospitals that deliver babies, about 125 mostly rural hospitals do not offer caesareans. Although babies can generally be delivered quite safely in a hospital without caesarean capability, MacLellan says, many women instead go to another centre up to two hours away before they are feeling confident. If they experience trouble trying to deliver locally, they will have to be rushed in a full labor to another hospital in a two-hour window.

For the doctors, meanwhile, often left with all their fees. Better says that he starts earlier now than when he began his rural practice, and he has to remind his patients to pay him. "I've had to

cancel and obstetrics, for example. And he does endoscopy, using fibre-optic telescopes to examine the gastrointestinal tract. "If we have an elderly person with rectal bleeding, you're obliged to exclude cancer," he says. Providing endoscopy in Fletcher Creek means these patients get the highest standard care without driving an hour and 15 minutes to Lethbridge while plagued with diarrhea.

Still, the hospital has only 11 long-term care beds. That means some sickling Fletcher Creek residents have to be shipped off to other communities. And at times, the staff has had to square up to 24 senior-care patients onto what is supposed to be a 16-bed acute-care wing.

The doctors, meanwhile, often feel left with all their fees. Better says that he starts earlier now than when he began his rural practice, and he has to remind his patients to pay him. "I've had to

Urban medicine has its own special challenges, of course. Many social circumstances can difficult-

ers, for example. And many GPs as well as dentists are leaving the country. There may actually be a shortage of medical staff, although that is in dispute. What is widely agreed is that the number of GPs will rise to about 4,340 in 1998, from about 4,000 in 1993. The definition of rural can vary from year to year, but is generally significantly underserviced." Alberta Health Minister Jim Couture, "We're

several that Anderson says: "Patients that have a family access to physician service."
However, among rural physicians has been one in which doctors generally provide call service to arrange to share that service with several others to refer serious cases to the nearest hospital. Physicians who refer patients to a hospital and that hospital staff have no specialists. And that hospital staff can be frequent as every specialist who does work in rural areas are in case they are in town.

He says that being paid a fee for each consultation at a hourly rate has tended to work in his favour in large consultation. Not so in small numbers of emergency cases each shift. A doctor can within five minutes of the hospital, write up and sometimes you do that for 24 hours non-stop in an hour," he says. "If we paid an HCP a fee of \$100 at 2 o'clock in the morning when he breaks for a cigarette, he probably would quit."

Consultations can be tiring even if doctors are well prepared.

paid for their time. But most provinces have begun to offer some kind of compensation. Nova Scotia, for example, pays physicians at least \$51.30 an hour for being on call at community hospitals, instead of a fee for each service. In Ontario, the on-call rate is \$79 an hour. In Saskatchewan, rural doctors get either \$80.00 a year or, in larger communities, \$10 an hour as weekdays and \$25 an hour on weekends, in addition to fees for services.

There is clearly more to rural medicine than on-call work though. And Painter-Cook is doing fairly well, as small towns go. He has six general practitioners serving more than 10,000 people, including 3,600 in town. But the number of physicians will be down to five over the summer and fall as low as three in January. Although there are no fully trained specialists in town, each physician has some advanced skills. Painter has some training in triage, internal medicine and electrics. For example, *he* does endoscopy, using fibre optic telescopes to examine the gastrointestinal tract. "If we have an elderly person with rectal bleeding, you're obliged to exclude cancer," he says. Preemptive endoscopy at Painter Creek means those patients get the highest standard test without delaying an hour and 15 minutes to Lethbridge while plagued with haematochezia.

Still, the hospital has only 31 long-term care beds. That means some lifelong Fischer Creek residents have to be shipped off to other communities. And at times, the staff has had to squeeze up to 24 semi-private patients into what is supposed to be a 16-bed adolescent wing.

The doctors, meanwhile, often feel us all their lot. Better says that he starts earlier now than when he began his rural practice 15 years ago.

er and we finish later in the evening," he adds. Technology, the volume of continuing medical education and public demands are all taking their toll. At the same time, he says, provincial fee cutbacks coupled with inflation mean that his buying power is half of what it was 30 years ago.

Bob Rother and his wife, Barbara, say they love Pfeifer Creek. They live in an old, rustic cabin a few miles from the river. They walk through the woods, swim, canoe, and fish in the Creek. Bob and Barbara are the Okanogan River monitors for the Okanogan National Park. They are alone at hand. And most important, Bob says the work can be challenging. Six years ago, he was sailing at a nearby lake when a 22-year-old boy fell into it. Rother, immobilized by the unconscious child, swam his brother-in-law and started an unconscious drowning. Then, an ambulance reached the child to Pfeifer Creek with Rother in close pursuit, dragging them on his car phone to wherein hunting gear.

Rutledge concluded the boy was bleeding from an artery inside his head. He had done the necessary procedure to arrest the bleeding, but had never sutured it. "The fact of the matter was the child was going to die unless we did something." So, with the help of a page of fixed instructions from a Calgary neurosurgeon, he drilled a hole in the boy's skull to relieve the pressure and save the life. Rutledge praises his colleagues and the air ambulance and the paramedic. But it was clearly a proud moment—the first successful brain surgery in Rutledge's career.

Pride: Today's children are depending on us to protect medicare

Expert evaluations

The people who know Canadian health care inside out are the ones who spend their lives working in the system, who help design and shape Canadian medicare, who work day-to-day delivering the care that Canadians take such pride in—and who have experienced the feelings of helplessness when things go wrong. Maclean's asked eight such experts from across the country to comment on the issues raised in the first national Health Report. Some, like B.C. Health Minister Penny Priddy, are public figures. Others, like Nova Scotia rural doctor Bob Martel, are dealing with realities on the front lines of health care.



Penny Priddy VICTORIA

British Columbia minister of health. Trained as a nurse, Priddy worked for 20 years in programs for children, families and people with disabilities before entering politics.

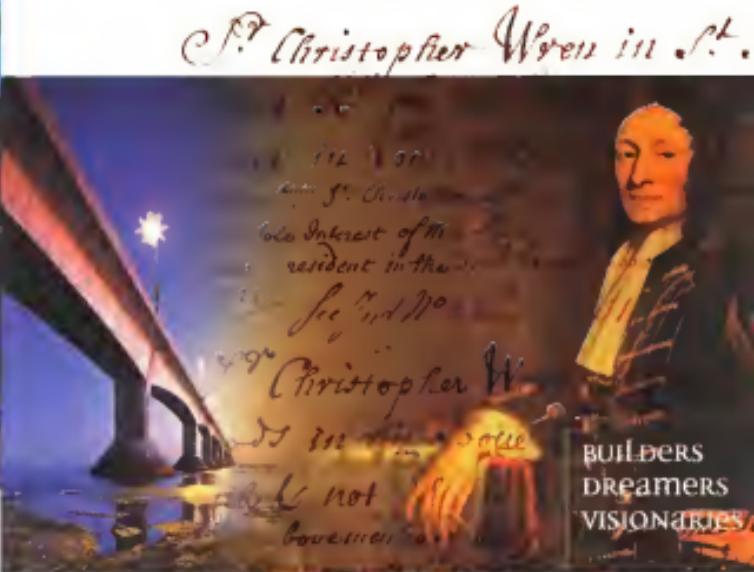
If medicare is to continue serving Canadians, we must improve the system without abandoning the principle of universal access. That's the best way to do that by looking beyond our traditional view of health care to consider ways of providing patients with a greater range of choices. We have to educate ourselves about the kinds of choices we make and how they affect our health. My experience as a breast cancer survivor has taught me to take more responsibility for my own health. Governments and health-care providers also have a responsibility to inform people about their health and health-care options.

The Maclean's Health Report clearly demonstrates that medicare is facing challenges. The vacuum created by the federal withdrawal of funding is causing Canadians to ask: what role Ottawa has in health care. Improving medicare takes more than goodwill. British Columbia is one of the only governments to increase total health-care funding for seven consecutive years. As a result, British Columbia leads every other province in per capita public spending for health care, despite federal cuts to transfers payments.

Expanding the role of choices in health care is an important part of creating more choice and increasing access to care for patients. The success of medicare will also depend on how well we care for seniors. But in charting the future of the system, we have to keep the interests of



The Maclean's Health Report clearly demonstrates that medicare is facing challenges'



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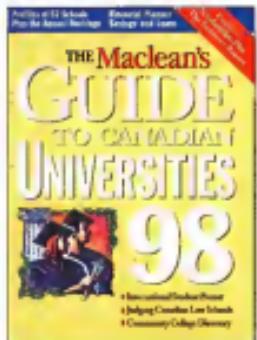
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those it will serve tomorrow in sight. Today's children are depending upon us to nurture tomorrow so it is there for them when they need it. We cannot let them down.

Steven Lewis SASKATOON

CEO of Saskatchewan Health Services Utilities and Research Commission. Lewis has been involved with health-care planning, research and evaluation since 1974.

The Health Report is focused almost entirely on health care and less about health. It covers over 110 surveys. Much of this is not the fault of Maclean's; we do not have a lot of decent information about the quality of health care in this country, nor do we specify with any precision what the \$76.6 billion spent in 1987 was supposed to produce, and for whom. Unfortunately, the information does tell us very little, and worse, they distract us from more fundamental issues surrounding the health of Canadians. Still, I think just by entering the discussion, as Maclean's has, may be very useful in getting the kind of information that is more truly indicative of what we've got, and what we don't have.

Despite little significant differences in per capita expenditures and the availability of physicians and technology, global statistics health status is pretty much the same across the provinces. Adding countries like Spain and Portugal to the international table would show that nations spending about half per capita than Canada have a healthy population. In any other industry, these data would occasion a spirited debate about overproducing. In health care, it's always about scarcity—causes in light of the obvious diminishing returns from huge outlays.

Presenting interprovincial data without starting variations in practice within provinces and even municipalities in Ontario, for instance, researchers at the Institute for Clinical Evaluative

Sciences have published two major volumes that show huge differences in surgical rates from one county to the next. A quality health care system would have rigorous standards for assessing need and deciding whether, where and how to intervene.

The Health Report briefly touches on the most expensive cause of subsidized health in Canada: inequality among classes. There is increasing evidence that surface care significantly wastes the time we are. No amount of nutritious health care can overcome the underlying form of deprivation. Despite the apparent cracks in our system (a worrisome and inefficient 35 per cent is now funded privately), we have access to a staggering array of healthcare services. But huge disparities in health status persist, and Canadians should worry less about how many MDs we have than about how many poor, unemployed, underprivileged, underemployed, and immediately ill remain uninsured.

Marion Susk WINNIPEG

CEO of Winnipeg Community and Long Term Care Authority. Susk, president of Victoria General Hospital before joining the authority in 1987, has also worked in hospitals in California and Manitoba.

When I was the CEO of an acute-care hospital, the mandate was clear—reduce the number of patient days without compromising care. That worked well for some. We hospitalized surgery or obstetrical patients, but for others not. Mental health patients, the less elderly and those without family supports needed a bridge from the hospital to the community. Upon discharge, we had people sit at the front and back doors, wondering why community care, home care and long-term care couldn't respond.

Now, as CEO of the Winnipeg Community and Long Term Care Authority, I can see why. Budgets in hospitals went down and efficiency went up. But the leading edge did not appropriately fit the community, which was dealing with an aging population, more people with more chronic diseases and people surviving more acute illnesses. In Manitoba, home-care volumes and expenditures were up and programs like home palliative care, supportive housing for seniors, adult day care, companion care and other patient-based options are now being developed.

Acute care is perceived as glamorous, with shows like ER dramatizing the crisis, the high technology and the speedy recovery. In contrast, community and long-term care deal with the realities of our streets and neighborhoods. The issues of the fetal-alcohol syndrome, drug use, welfare and HIV—the issues are ones smaller and more difficult to measure, but are no less important to our overall health.

We know now that people want autonomy; they want to manage their own care, and make their own choices about their lifestyle. In a sense, we have come full circle. We are reclaiming our traditional sense of self-reliance after four decades of trusting in institutional care. By definition, that means we must have a full spectrum of choices to meet individual needs. We must move beyond just health-care teamwork to include the determinants of health, setting up



Steven, we need more consumer-friendly information to make intelligent decisions.



neighborhood networks that involve all partners, like education, justice, housing and family services to have a real impact on the lives and families of our communities.

Michael Decter TORONTO

Health consultant and chairman of the Canadian Institute for Health Information. An economist who has worked for two decades in senior public- and private-sector positions, Decter was deputy minister of health in Ontario from 1991 to 1993.

Our approach to health services remains a great Canadian achievement. With 9.2 per cent of gross national product, we provide health coverage for all Canadians. The Americans, who spent 14.2 per cent of GNP, have more than 40 million citizens without health insurance. But we need better information in order to understand our own health and so manage our health system. This is a period of unprecedented change from an in-hospital system of care to an ambulatory-care world. Patients, providers, managers and policy-makers all need better information about the benefits and costs of various forms of care.

Canada has badly under-invested in health information. We spend roughly two per cent of the total health budget on health information. We would get better value for our total health dollar if we increased that investment to four per cent.

The Canadian public is extremely concerned about access to health services as well as the quality, appropriateness and speed of those services. Report cards should provide the public with information about these issues. The *Medical Health Report* is an excellent start, but we need more consumer-level information to make intelligent decisions.

The provinces have started the tough work of reform over the past seven years, and the provincial ministers of health have borne the brunt of the criticism. It is time for the federal government to provide real support in both leadership and allies. Federal funding for home care would be a good place to start. Monitored is what we gain. It can be as dynamic and modern as we choose. It can also be allowed to decay. Medicine will be maintained not by putting it in a museum, but by reforming it.

Gordon Laver KINGSTON, ONT.

Columnist, Virtuous of Health Care Abuse. Laver became a patient's rights activist after his wife died at age 49 last September, less than a month after being diagnosed with stomach cancer.

Our proposed motto should be: "Let's put the 'core' back into health care." This, we find, summarizes what is needed to rectify the system. The badly planned and executed changes have resulted in low morale and many healthcare providers fighting for their own survival. How can one expect compassionate care in these circumstances?

Hospitals are very inefficient places suffering from too much



Associate: governments are now in developing home care

Michele Boisclair MONTREAL

Photo-consultant, Quebec Polytechnique of Montreal

hospersity and duplication. Why are patients entering emergency rooms the same quantity and have the same tests carried out (temperature, blood pressure, etc.) there, later or at times? Such nurses trained in screening patients could be the first line of entry. The nurse would then direct the patient to a "nurse-practitioner" who concentrates on several areas of medicine. These can keep up to date. Clinics based on this idea could be equipped with many diagnostic tools, such as ultrasound, and result in "one-stop shopping" for patients.

We also feel there is not enough specialists. Seeing a GP can usually be arranged in a matter of days, whereas with specialists it can be many months. More specialists are also needed if we are to take advantage of all the new information being generated in the field of medicine worldwide.

The *Medical Health Report* makes an mention of the huge increase in expenditure in the pharmaceutical field. Every shopping mall now seems to have a health food/herbal medicine store and stores in pharmacies are holding with every sort of herbal medication possible. When the amount being spent on this "pseudo health care" is added to that spent on "public health care," you will find a substantial increase. Overall, we feel there is enough money being spent, it just going in the wrong areas. Very little is spent on educating people, prevention, early detection of diseases. Too much is spent on treating patients when it is too late and therefore very costly.

Michele Boisclair MONTREAL

Photo-consultant, Quebec Polytechnique of Montreal

The *Medical Health Report* confirms that the recent transformations of the health care system were primarily designed to respond to the financial expenses, first, of the federal government, then of the provincial governments. The dramatic cut in Ottawa's portion of health-care spending in the province (-\$2.4 per cent for Quebec over nine years) is worth highlighting. On the other hand, the report does not break down the spending on health care within each province. This breakdown would enable us to measure real spending trends compared with the national average. We know that in Quebec, health-care spending is lower than the Canadian average. Moreover, Quebec does not rank very well on major health determinants—income, education, smoking and malnutrition. The federation believes there is little political will to take positive action on health determinants. Combined with budget cuts at both levels of government, this contributes to the deterioration of the health status of the population.

The absence of data on per capita investment in home care glosses over an important weakness in the functioning of the Canadian health-care system. Home care should be a government responsibility, but governments are slow in developing it.

The federation believes that prevention is a key element of any health-care system. Yet there is a steadily growing excess of entries

to the United States. In Quebec, it exceeds that of factors. Looking at the profile of patients, Quebec is distinguished from other provinces by the fact that it has the highest ratio of doctors to population and one of the lowest ratios of nurses in Canada. Coupled with the use of drugs and the development of technological facilities, this allows us to conclude that the Quebec government has opted for a health care system oriented more towards "cure" than towards "care." Yet this shift towards ambulatory care relies on care.

Dr. Bob Martel

PORT WILLIAMS, N.B.

Chairman of the Atlantic regional committee of Society of Rural Physicians of Canada.

The Canada Health Act guarantees all Canadians access to universal health care. Unfortunately, there is little evidence to support that is happening in rural Canada. Geography has traditionally been the greatest barrier to access, but more recently the economic agenda of provincial and federal governments has conspired to further compromise Canadians who choose to live in rural Canada. Relegation, downgrading and rationalization of health services have been used as lead terms to explain the approach central health planners are using to restructure health care. Unfortunately, the planners have been focused on indicators like hospital admissions, length of stay and more crude yardsticks, such as infant mortality.

The problem with this approach is the focus. A community is healthy when it is working together to support its residents, in times of prosperity and of economic downturn. In closing centrally hospitals, health planners have failed to identify these institutions as more than a grouping of hospital beds. But those facilities function as a central link in the greater support system of a rural community. Often serving as the centre of consciousness, the programs are interwoven into the social fabric where "hubs" and/or social functions are as important as emergency services. The other critical factor not identified in the literature does economic impact these health-care jobs that on the community's economic base.

Rural health-care expenditure reduction has threatened the ability of communities to provide the support required to keep its citizens comfortable with living in rural areas. Young professionals can no longer be guaranteed a quality of life conducive to professional and personal fulfillment.

Politicians who will eventually have to account to their constituents for the decision being made are charged with the task of

sensitizing their advisers to rural issues. Forty per cent of Canadians are now saying that they need more attention in their way of life will be assimilated into the urban paradigm. Rural areas are beginning to understand that they have been left out of the planning equation.

Dr. Doug Sinclair

HALIFAX

Chair of emergency medicine,

Queen Elizabeth II Health Sciences Centre.

I support the concept of a periodic national report card to inform Canadians on the status of health care. The system is under going massive, unpredictable change, and like the frustration and confusion of both patients and staff every day. The emergency department has become the barometer of the reformed system, it is a safety net as the pace of change of different parts of the system proceeds at different rates. When overcrowding in emergency becomes significant, it is a warning that the system has become dysfunctional.

Certainly, the fiscal agendas of the federal and provincial governments have driven the health-reform agenda. But what we forget is that the health-care system was in desperate need of reform, and it took fiscal belt-tightening to finally unlock many of the problems that we now import as part of the reformed system. Some of the obvious examples include the trends to outpatient surgery and the expansion of home-care programs. We must start to harness the power of the health-care providers and their local communities to truly drive the health-reform agenda, without battles over procedural law.

All stakeholders in the health-care system have become increasingly frustrated with the lack of data to measure the effect of change on health outcomes. Because the material presented in Morbidity's administrative data taken from its large provincial data bases, it is not useful to many health-care providers on the front lines. But it is a start. The true challenge now will be for communities and health-care providers to agree on a set of indicators to monitor the success of the health-care system. Some examples could be the rate of successful use of clot-busting drugs in heart attacks, the number of people successfully managed in a home-care setting and thus diverted from hospital, or the success of immunization programs.

An unusually optimistic health-care provider, I am excited by the pace of change. I feel we have an enormous opportunity to make improvements, but the path will remain confused—and somewhat dangerous—for a while yet.

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Reaching across the great divide

BY JOHN GEDDES

In another era, Reform leader would long since have been recruited into either the Liberal or Conservative fold. Taught, persuasible and ambitious, he would, at age 36, be fitting his shoulder-polished skills towards an inevitable cabinet-level job. But in a time of regional and ideological fragmentation, Jaffer's political career is on a much less certain trajectory. As the most fervently bilingual member of the Reform caucus, the rookie Edmonton MP has been cast into a unique role as an emissary for western populism in Quebec. Last week, he ventured deep into what is, for most Reformers, terra incognita—Quebec City for a public debate with Bloc Quebecois MP Pierre Bégin. The next evening, the encounter, pitting Reform's concept of a decentralized federation against the Bloc's vision of a fractured one, was repeated in Edmonton. The exchanges between two regional movements that have declared opposition to one another in the House of Commons since 1993 were friendly—surprising rather than Reform's willingness to risk brushing shoulders with separatists in a bid to break out of its western stronghold and challenge the dominance of Prime Minister Jean Chrétien's Liberals. "This has been by far our biggest opportunity to have our actual substance judged by a large number of people in Quebec," Jaffer told *Maclean's*.

That is not necessarily much of a boast. Reform has been at best a political also in Quebec. At worst, the party, which ran TV ads in last year's election campaign urging Canadians not to elect another Quebec-born prime minister, has been viewed as increasingly anti-French. But if Jaffer's chances of winning over many Quebec voters are slim, his forays into the province might pay off in neighbouring Ontario. Softening Reform's image on the Quebec question could be the key to electoral success in Ontario—a breakthrough that elated the party in 1997, despite a true government-in-waiting status. "I think Quebec had some misconceptions as to what our intentions are on the national unity file," Reform Leader Preston Manning said last week in an interview. "If Ontario people get an idea of what we're really up to, that will help, maybe by softening some fears."

Jaffer stands a chance of persuading many voters to give the party's ideas on unity a look because it might well be Jaffer. He shatters the stereotype of the silent, gazing-around-the-tables Reform hardliner. An affable Muslim whose family settled in Edmonton after fleeing Uganda in 1972, Jaffer has a proven track for making white conservative voters feel at

ease with a visibly-muscular candidate. Even more valuable to the Reform party, he was educated mainly in French at the University of Ottawa. While he still practices regularly with a tutor, he is bilingual enough to hold his own in Quebec City last week, an audience of about 150, made up mainly of separatists, greeted Jaffer politely. But he is under no illusion about how well Reform's proposal for a reformed federation went over. "I don't know whether we convinced a lot of people, and I somehow doubt that we did," he admitted. "But if we get people thinking, then that's more than the Liberals have done in the past four or five years, that's for sure."



Jaffer (left) with Brian Topp in Quebec City: 'It's hardly a first date, let alone a marriage.'

Political opponents were quick to accuse Reform of going too far just by showing up for the debate. Sherbrooke, Que., area Tory MP David Price suggested that by sharing a stage with sovereigntists, Reform was tacitly working with Quebec Premier Lucien Bouchard to break up the country. "The Reform party has finally come out of the closet," Price mused in the House. "It wants Quebec out of Canada." Liberal MP's joked that the two main opposition parties might merge as the "Rebloc." More substantially, political analysts pointed out that Manning seemed to be moving towards reconstituting the coalition that helped Brian Mulroney two massive majority Tory governments



Reform's forays into Quebec are aimed more at Ontario

western conservatives who feel alienated from central Canadian power circles, bedrock Ontario Tories, and antisemitic francophone Quebecers searching for an accountable federal party.

Manning brushed off the suggestion he might be following in Mulroney's footsteps. "The coalition Mulroney built in Quebec was essentially done on a shaming basis, which was Mulroney's modus operandi," he said. "We're starting with the principles, on the personalities, and we're starting at the bottom by distributing staff to ordinary people. The principles that Manning hopes will build credibility, if not enough support, in Quebec are mapped out in his New Canada Act. The policy paper released last month calls for substantially strengthened provincial powers in areas like social services, language and culture, while bolstering Ottawa's clout in fields like transportation and the regulation of financial institutions. The most far-reaching proposal is to strictly limit the federal power to spend in provincial jurisdictions—historically Ottawa's main means of softening its sphere.

Manning carefully refers to the package as "rebalancing." After

such a "rebalancing" of the federation, there's little doubt that the aspect of the message that won Jaffer a warm reception in Quebec City is the notion of calling Ottawa's present, particularly Reform's, control of the provinces a "soft" or "unjustified" control of an increasingly disparate and sovereign provinces. Quebecers have been, though, due to hope for converts from the hardline Bloc and Parti Quebecois. Instead, they are to build bridges to the likes of Parti action democratic leader, made up mainly of former members of the Federal Party of Quebec who have since withdrawn just short of outright secession. Martin Demers, leader of the other party, said after the Quebec City debate that he was impressed by the logic of the Reform position. More problematic for Reform is the oily relationship between Manning and Quebec Liberal Leader Jean Charest, who as federal Conservative once called Reformers "bigots," and remained efforts to settle the two parties of the right. Charest's Quebec Liberal camp remains the natural home in provincial politics for many of the disaffected federalists. Macrae wants to reach out to "Charest seems to be very personally alienated by me," Manning said. "But I think these ideas are bigger than personalities."

Pitching those ideas to white Manning calls a "soft sovereigntist" audience carries the risk of offending some of Reform's core western supporters. In Edmonton, Jaffer let on concealed to declare that his friendly debates with Bégin would not pose the way for formal Reform-Bloc co-operation. "It's hardly a first date, let alone a marriage," he snapped.

But if questions about coining up to the separatists can be put to rest, some western political analysts predict that linking the aspirations of the sclerotic West and a disengaged Quebec will sit well on the Prairies and in British Columbia—as long as Alberta sticks religiously to its long-standing policy of no status quo for Quebec. "A soft approach to the underlying of, if you will, the Quebec problem could be very attractive to westerners," says Dennis Rebar, president of the Saskatchewan Party, the newly formed amalgam in that province of Reformers, Liberal, Tories and NPDers. Former Reform party guru Tom Flanagan, a University of Calgary political professor, agrees, hinting to make common cause between Quebec and the West is an old—though unreal—option in the Reform movement.

The backdrop to the remarkable Jaffer-Bégin debate is the prolonged run-up to a Progressive Conservative leadership race. The two leading contenders, veteran Tory strategists Hugh Segal—set to decline this week—and former prime minister Joe Clark, both can be expected to claim that the Tories stand a better chance of unseating Charest under their leadership than Reform has under Manning. So far, however, it is Reform to overhauled its reputation on the only file the Tories are back in the game. A sense of urgency—and frustration—creeps into Manning's voice as he pleads for a fair hearing. "Everyone objects to my influence on this," he says. "But I ask, 'What's your alter native?' Charest's approach is to just sit there like a lump and hope it's going to work out, or at least not fall apart until he is out of office. That's not good enough. We're prepared to push the envelope." □

CANADA

who in 1967—when Chrétien was out of politics—arranged for the future prime minister to buy 15,000 shares in his company for \$6 each, at a time when the stock was trading in the \$12 range, a legal if friendly deal (A week later, Chrétien sold half those shares for about \$17 each). And last month, local critics went up in Ottawa with reports that Liberal Senator André Gélinas, government leader in the upper house, had arranged for former Pierre Trudeau cabinet minister Alan MacEachen to remain on his

partner's expense in a suite of offices on Parliament Hill almost two years after his retirement from the Senate at age 75.

Few observers would disagree that the Senate, which must approve any bill before a becomes law, can play a useful role by clarifying, simplifying and occasionally even tailoring flawed legislation. But the irony of bad press plays into the hands of the Reform party, for whom a triple-E Senate—elected, effective and equal—is bedrock party policy. Cogger “is another

Cogger’s customary tale is the type that would make most read. He owes his Senate seat to a friendship with Mulroney forged while they were both law students at Quebec’s Laval University in the early 1960s. Other Laval law students at the time included Tory Senator Michael Mignot, Quebec Premier Lucien Bouchard, Peter Watt, now one of media mogul Conrad Black’s closest business associates and the former Mulroney adviser, and Bernard Reg, the Tory prime minister’s practical secretary. In the years that followed, Cogger ran Mulroney’s failed 1980 leadership bid, then helped lead the 1982 movement that ousted Joe Clark as Tory leader and installed Mulroney as the leader’s close rear-ender.

No one was surprised in 1989 when Mulroney named the ebullient bilingual hardware operator to the Senate. But in 1991, the RCMP had charged alleging that the senator had been pocketing payments from Guy Montpetit, an old law client, who wanted him to use his influence and contacts to get government grants. In 1992, the Quebec court acquitted Cogger, concluding that his actions were not motivated by criminal intent. In 1998, the Quebec Court of Appeal upheld the decision. But last July, the Supreme Court quashed those earlier rulings and ordered a new trial.

Now, Cogger seems all but broken by the seven-year court battle and the public indictment of his conviction. He has told friends that he is “steamed out” and “revisiting”—and has no idea what he and more will be. His fellow senators, meanwhile, are on the defensive. “The Senate cannot be blamed for the failings of its members,” stressed Alberta Conservative Senator Ron Gitter last week. “To focus on the Senate simply because of things like Cogger is unfair.” But perfectly understandable—considering the way things have gone lately for the upper chamber.

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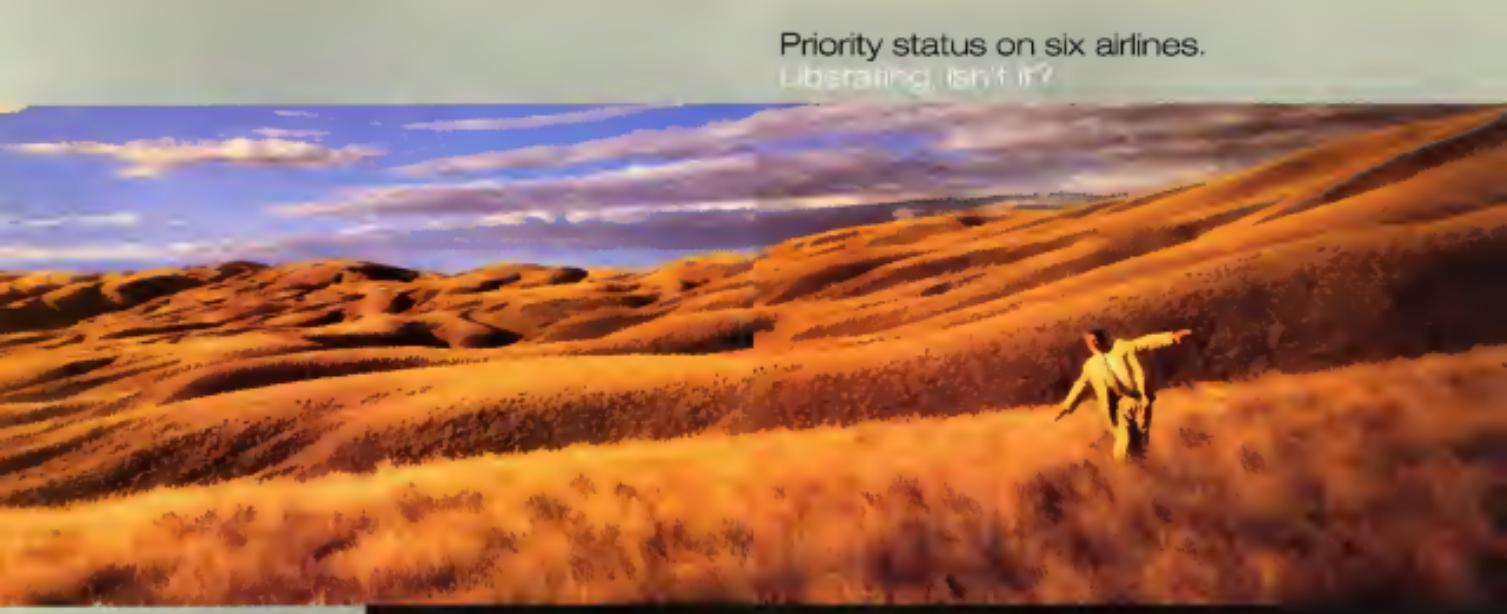
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Canada NOTES

A QUESTION OF LIABILITY

The B.C. Supreme Court ruled that the United Church of Canada and the federal government are financially liable for the sexual and physical abuse suffered by children at the Alberni Indian Residential School. Arthur Plast, 66, who worked at the Vancouver Island institution from 1948 to 1966, pleaded guilty in 1995 to dozens of sexual assaults involving 14 future plaintiffs to set the amount of compensation.

RACIAL VIEWS

The Supreme Court of Canada unanimously ruled that prospective jurors can be questioned about their racial views to preserve the fairness of a trial. The case revolved around an abandoned man, Victor Williams, who was denied the right to ask if any juror might be "Indian hating" during his trial for a 1993 robbery. The court said Williams had a right to be concerned, given widespread bias towards natives.

MONEY FOR THE STERILIZED

Alberta said it will give up to \$100,000 each to 504 people who were forcibly sterilized between 1938 and 1972. About 2,800 Albertans, designated mental defectives under the province's new-defective Sexual Sterilization Act, were ordered sterilized by a government-appointed Eugenics Board.

SEEKING A REVIEW

Senior Nova Scotia Crown attorney Craig Boutilier said he will seek judicial review of a judge's decision to throw out a murder case against Halifax doctor Henry Morton. The obstetrician was accused of first-degree murder in the November 1996 death of a terminally ill cancer patient, but provincial court Judge Stephen Russell dismissed the charge in February, saying he did not believe the Crown could make a case that could result in murder conviction.

IN THE BLACK

Nova Scotia's minority Liberal government staked its future on what the opposition called a "frugal" budget, promising balanced books, an electricity rebate for consumers and more money for education and health care. Finance Minister Don Dougan projected a \$1.3-million surplus in 1998-1999, apparently delivering on the off-target campaign promise that helped his party salvage 18 out of 82 seats in the March 24 provincial election.

Responding to the allegations



Epstein, a policy of zero tolerance

base on the night of May 21. Maj. Douglas Martin, a military spokesman, said soldiers in Edmonton "are very upset" by the new allegations. "It's a sad reflection on ourselves. It's not the behavior we tolerate at Canadian soldiers. It's a kick in the pants."

Chief of Defence Staff Gen. Maurice Baril has personally contacted some of the sexual assault victims who have come forward on MacLean's. Recently, he also set in motion an investigation into alleged sexual misconduct within the 18th Field Artillery Regiment in Shuswap, Que., after receiving an anonymous

letter. Last week, the NDS said it had found no evidence of criminality in the Shuswap case, but one officer was suspended and a board of inquiry was set up to investigate allegations that the officer had relationships with several subordinates—which is against military protocol. Maj. Marc Rocheleau, a Montreal-based spokesman, says the Shuswap situation is "disturbing," coming on the heels of an unrelated allegation of sexual assault by a Shuswap gun-based soldier in February. That incident is still under investigation.

Meanwhile, at the House of Commons last week, Defence Minister Art Eggleton continued to hear criticism from the opposition NDP. Leader Alexa McDonough, for one, took aim at the military's previously slow response to individual sexual assault. But Eggleton defended that action is now being taken. "We have put in place the training—to make sure we show support for our policy of zero tolerance."

WEAPONS

Anger over Bombardier

Soldiers made its own accusations, the federal government awarded an estimated \$9.85-billion defense contract to Bombardier Inc. The 20-year deal to pur-

chase and maintain equipment for the military's CF-18 jet fighters is the largest single government contract in Canadian history. Industry Minister John Manley defended the decision, saying the Bombardier deal was the only one in Canada capable of the work. The Liberals' more pointed outrage in the Commons reminiscent of the



Soldiers march outside Beijing's Great Hall of the People, Tiananmen square in Hong Kong (right) a long shadow

World

The China syndrome

The deep thinkers at the White House had a plan. By the last week of June, they thought, their boy would need a break—buddy Paul Jones's sexual harassment lawsuit against him was set to begin on May 27. It was time to be money and embarrassing. President Bill Clinton was due to visit China sometime in 1996, probably in the fall. Why not move the trip up to June, just in time to change the subject dramatically from sex and scandal to security and statehood? The President, went the logic, could stop acting like a deluded and silent acting like the world's preventer-leader.

Opps. In Clinton's troubled second term, reality has had a way of rudely intruding on all such schemes. Who could predict that the Jones case would suddenly evaporate, sent out of court by a judge on April Fool's Day? Who could forecast that another accident, involving an almost-baffled attempt by the Chinese government to buy influence at senior levels of the U.S. government, would marinate just as the President was picking his bags for Beijing?

Or that a brand-new controversy about whether senior Clinton campaign confidante deeply labelled "suspicious" missile technology to China would add to his woes? Or, finally, that Asia's political balance would be rocked at just the wrong moment by a nuclear rise between India and Pakistan—shorn in part of China's long-standing military aid to Pakistan?

Any way you look at it, Clinton's visit to China, at any time, will be controversial. Last week showed that this visit, by this President, at this time, will be thornier than ever. For one thing, it marked the ninth anniversary of the massacre of pro-democracy demonstrators at Beijing's Tiananmen Square, a trauma that still haunts China's politics and casts a long shadow over its relations with Western nations. In Beijing, police used again yesterday the square to ensure that no protest took place. But Chinese anger still surfaces where it is allowed to: in Hong Kong, which remains outside China's control despite its return to China last July. 40,000 people turned out, uninvited, by authorities, for a memorial to the dead.

During Clinton's one-day visit to China, starting on June 26, he will be formally welcomed by Chinese President Jiang Zemin at a ceremony just outside the Great Hall of the People on the edge of Tiananmen Square—symbolism that enrages American critics of both China and Clinton. We realize that Tiananmen has been the traditional welcoming place for foreign dignitaries for decades, and the leaders of Japan, France and Britain, among others, have recently paid their respects there. By a vote of 395 to 110, the House of Representatives last week urged



Clinton's visit faces flak over rights, nukes and cold cash

Senate not to go to the square. Just to rub it in, two House committees chose the anniversary to hold contentious hearings on charges that China stills the opinions of exiled prisoners to foreign governments.

The kind of unconvincing if nothing news in the non-existent debate around Americans over China, Clinton was once among the critics, in 1992 he denied then President George Bush for "doing business as usual" with those who maintained freedom in Tiananmen Square. The irony, of course, is that Clinton went on to pursue the biggest ever push by American business into China. Led by industrial giants like Boeing, AT&T and Motorola, U.S. companies have fought hard for a share of the Chinese market—and to ensure that Washington continues to grant most-favored nation trading status to China. Clinton announced last week that he will review that status again this year, and Congress is expected to make a deeper reassessment towards Beijing.

At the same time, though, the so-called dollar diplomacy of the 1990s is an early victim of the new politics over Asia. The old idea—shared by the Clinton administration in October—was that business interests should lead the way in the post-Cold War world. Governments, went the logic, should help business by opening markets and creating the vehicle of trade. In Washington, at least, that strategy has suddenly given way to the hawks. Back on center stage are traditional concerns about nuclear stability, balances of power, and inviolability of sensitive technology to potentially hostile countries. "The idea was that geopolitics didn't matter anymore," says Robert Manning, director for Asia studies at the Council on Foreign Relations in Washington. "It was all interconnected and globalisation. We'd all eat Big Macs and be happy together. Now, we can see that that's not the case, that national security matters again."

Clinton and his aides argue that this makes his upcoming trip to China all the more important. The sudden instability in South Asia and the threat that other countries, such as Iran, might also acquire nuclear weapons underlines the need for a strong U.S. relationship with Beijing. Secretary of State Madeleine Albright went so far as to proclaim that Washington is building a "strategic partnership" with China, and last week flew to Geneva for a meeting of the five permanent members of the UN Security Council—chaired by Beijing. They called on India and Pakistan not to repeat their tests, and to join 140 other nations in signing the Comprehensive Test Ban Treaty.

But American anxiety over China is running high, and will not be assuaged by the fact that Clinton has visited the ancient capital of Xian on an April 25. The concerns are fuelled in part by China's recent test of a Polaris missile, designed to counter an oral warning that Washington had nuclear and missile technology to Pakistan for two decades while Washington turned a blind eye. "The first is," says Manning, "Pakistan would not have nuclear capacity or the ability to deliver a weapon if it wasn't for China." The Washington Post, a conservative paper with conservative owners, U.S. intelligence agencies, reported last week that the tactic used on the Americans was to take out Chinese missile-testing technologies and special analysts to Pakistan for the country's missile program.

Still, what has got Washington in a bind is what China is: a pair of unstable, sometimes threatening states. To sustain the old political stability of cold persistence. First, is the simmering controversy over whether Asian contributions to Clinton's 1996 presidential campaign were part of a plan by Beijing to buy a voice in the U.S. political system. At the center is Chinese-born law associate Jimmy Chang, who contributed \$200,000 to the Democrats. The party goes back Chang a currency in late 1995 after it was discovered that it came from foreign sources, and Chang faces fines, charges of violating U.S. tax and campaign-finance laws. But the controversy casts doubt on the best after-Chang self-investigation that it came from a high-profile source named Liu Chao-Ying.

She, it turned out, was a legitimate general in China's People's Liberation Army, a top executive in China Aerospace International Holdings, the Hong Kong subsidiary of a Chinese company that builds rockets and satellites, and the 39-year-old daughter of a top Chinese general. She met Chang in 1996 and formed a company with him. Now, US investigators want to know whether she is the crucial link that proves Beijing used Chang and others to channel cash to Clinton's campaign—in effect trying to buy influence in the White House itself. Crucially, though, no evidence has surfaced to show that the Democrats knew the source of Chang's donations, or that it influenced any Clinton's decisions.

Second—and potentially more damaging in the new atmosphere of nuclear concern—is the growing controversy over whether a company headed by a major Clinton campaign donor legally transferred sensitive satellite technology to China. Bernard Schwartz, chairman of Loral Space & Communications Ltd. of Palo Alto, Calif., gave \$170,000 to the Democrats in 1996. In February of that year, Loral hoped to launch a satellite atop a Chinese missile—a practice permitted by American law but requiring a special presidential waiver. The rocket exploded seconds after liftoff, and now U.S. investigators want to know whether Loral subsequently gave the Chinese technical information that would allow them to target missiles more accurately against U.S. cities.

In May 1997, a Clinton review board concluded that Loral had indeed damaged U.S. security. The justice department began an investigation to see if criminal charges should follow. According to a published report last week, a senior vice president at Loral told the China Aerospace Corporation in a letter after the explosion that the company wanted to ensure that Chinese rockets "have the best reliability record in the future"—and that "we will do everything in our power to bring you." But in June of this year, Clinton gave Loral a waiver to launch another satellite in China—a move that allowed the company a huge advantage in its legal dispute with the government. Now, five congressional committees are investigating whether Schwartz's hasty contributions led to lenient treatment by the White House. Republicans are in a state, and even some senior Democrats admit to concern that Clinton's larger-than-life campaign donations may have informed national security.

The President, of course, denies that. His aides point out that Bush, his predecessor, also granted waivers in allow American satellite launches in China—mainly because the United States simply cannot meet the huge demand for our communication satellites in orbit. But the optics could hardly be worse for Clinton, politically and strategically, as he faces a new and more dangerous world. □



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security
services
have taken
over from
dollar
diplomacy

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LEWINSKY DUMPS LAWYER
Former White House intern Monica Lewinsky, under investigation for perjury and obstruction of justice over her alleged affair with President Bill Clinton, fired her outspoken lawyer, William Ginsburg. She hired two new attorneys, Washington attorney to replace the Los Angeles-based Ginsburg, a mid-practice lawyer who was criticized for tactical lapses in crafting with special prosecutor Kenneth Starr.

NO BILINGUAL TEACHING

California voted to get rid of bilingual education, in which many Hispanic children are taught mainly in Spanish. Critics, including many Hispanics, said kids emerged speaking little English. Under the new system, students will undergo a year of English immersion. Opponents of the change, however, launched a court challenge.

AFGHAN QUAKE MISERY

Aid trickled in very slowly to hungry and injured victims of a severe earthquake in northern Afghanistan that killed up to 5,000 people. Efforts were hampered by bad weather, the remote location and a shortage of fuel for helicopters. Many people waited days for food in villages flattened by the quake, the area's second in four months.

NEUTRINOS AND MASS

A joint U.S.-Japanese scientific team announced that, on the basis of their research, neutrinos—subatomic particles emitted by burning stars—probably have mass. After some debate, the findings as written and sent it could have profound ramifications for further research. For one thing, some physicists noted that if neutrinos have sufficient mass, they could exert a gravitational pull—and slow the expansion of the universe. Work conducted at the Baryon Facility Observatory is expected to confirm the team's findings.

PAYING FOR CYANIDE

Balkan-based Cameco Corp. and its partner, the Kyrgyzstan government, promised to pay about \$725,000 to residents of two villages in the former Soviet republic affected by a cyanide spill. A truck loaded for the partners' gold mine exploded on May 23, leaking 1,700 kg of cyanide into a river supplying drinking water. Residents were hospitalized, and the death of one woman was blamed on the spill.



Derailed express; helping the injured: the worst crash since the Second World War

Disaster on a fast train

German men were in shock and mourning after the devastating derailment of a high-speed commuter train that had been the pride of their country's transit system. At least 100 people were killed and about 200 injured after all 12 carriages of the Munich Hamburg City Express, or ICE, jumped the track at 290 km/h and smashed into a bridge near Badische, a village north of Bremen.

After the crash, an emergency descended before the whimpers of children and voices of the wounded began. "At 7:15 in silence, the deer was open and I watched the sky and the Eri helicopter came," said one survivor from Badische hospital. After running home from a walk to help, German Chancellor Helmut Kohl urged away tears as he visited the scene of the country's worst train disaster since the Second World War. Rescue crews took nearly three days to recover bodies from the tangled metal. The passenger cars had separated from the locomotive and slammed into one another, causing the concrete overpass to collapse on top of some of them. The sponsor of the locomotive, unaware of what had happened, continued driving until a wristwatch set an emergency alarm two kilometers from the crash site.

After initial puzzlement, rail investigators said the accident was most likely caused by a wheel that broke several kilometers before it hit a switch in the track, triggering the derailment. They could not say whether metal疲劳 or something else caused the wheel damage, and will not rule out sabotage. The ICE, which went into service in 1991, is known for its efficiency and paid safely record. In order to ensure public confidence, German authorities pulled the train off 40 miles of their scheduled route to carry out inspections.

'Ethnic cleansing'

Rohicans streaming into Albania from the Yugoslav republic of Kosovo province as local leaders accused Serb authorities of a new "ethnic cleansing" campaign. Many of the 12,000 refugees said Serb military and police units had destroyed entire villages in their campaign against armed separatists in Kosovo, while 90 per cent of the population is ethnic Albanian. "The situation is an



area of open war," said Ibrahim Rrogoz, Minister Plenip. He urged the international community to get involved with Yugoslav President Slobodan Milosevic, a Serb hardliner. German Foreign Minister Klaus Kinkel and NATO troops were prepared to intervene. Diplomats said they might move in to seal Kosovo's borders, which would prevent Serb refugees from making their way to neighboring Albania, and exchanges with Macedonia, which also has a large Albanian population.

Saving for school

PERSONAL FINANCE

RESPs are gaining in popularity

BY JOHN SCHOFIELD

Little Kaitleen Ash has got about as far as her future figured to. The energetic, eight-year-old from St. John's, Nfld., wants to be a teacher when she grows up, although she sometimes changes her mind when she stays with her father, Dan, a high school vice-principal. Her Newfoundland dreams, though, have changed in life to be a determined. For Ash and his wife, Frances, 37, a Revenue Canada manager, what matters most is whether the plan can afford the education they will need to realize their dreams. To help them along, the Ashes are taking advantage of a new federal grant that supplements their contributions to registered education savings plans, or RESPs by 20 per cent a year. "It's enabling us to put more money aside," says Dan. "It's someone wants to give you an additional 20 per cent return with no downside. It's take it."

If an other rainy pencils will find need to return. And not only the Ontario Canada Education Savings Grant, offered by Finance Minister Paul Martin in February's budget, is also open to grandparents and any other adult—whether related to the child or not—who wishes to contribute to a young person's education. The program, which is expected to cost taxpayers \$150 million in its first year—has its critics, and questioning the factor of rules surrounding it can be a challenge. But the government's 20 per cent co-investment, combined with growing concern over spending tuition fees, promises to make the once-expensive RESP the hottest financial product since registered retirement savings plans—and a huge boon to the financial services industry. "Within three to four years," says Dan Bichards of Marketing Solutions, a Toronto-based financial services consulting firm, "the majority of Canadians with young children will be taking advantage of it."

For years, RESPs were geared by investors, limited by their low contribution limits and a lack of choices. But a little economic surgery in recent years has vastly increased the options. RESPs have always allowed for a variety of investments, from mutual funds to guaranteed investment certificates. Since 1996, however, Ontario



Preschoolers at a Vernon day care centre dream

has raised the annual contribution limit to \$4,000 from \$1,500, and last year it allowed RESP funds to be rolled over into an RESP if they are not used for a child's education.

Last February's grant announcement was the icing on the cake. Since then, some RESP providers report sales increases of as much as 50 per cent. And the number of RESP accounts, which stood at 730,000 in 1997, is expected to exceed more than 900,000 by the end of the year. The Big Banks, which until recently only sold RESPs through their brokerage or trust operations, are moving quickly to

sell RESPs directly. "There's nothing more motivating for a family than seeing their child get the right education," says Bruce Armstrong, director of retirement services at the Bank of Nova Scotia, which hopes to sell RESPs from its branches this fall. "We recognize the power of that with Canadians, and we want to be a part of helping them achieve those goals."

The grant is not without its problems. The negotiations surrounding it, which consume nine pages in the government's drafted budget documents, can be confusing. Along with regulations imposed by the Better Canada and Business Resource Development Council, the federal department that administers the grant, investors have to contend with the rules laid down by each firm that offers RESPs. "They all have their own wrinkles and each company offers ever so slightly from the other," says Maryn Woodard, manager of special projects at BBDC. "It's really how to read the fine line."

The program also promises to be a headache for regulators in Ottawa. Multiple plans now are open for one child or lower income contributions to the beneficiary do not exceed \$4,200 per year. HRDC expects to process as many as 52 million RESP transactions a year. It will be up to the companies that sell RESPs—there are now about 40 and the number is rising quickly—to report any excess contributions, and add account holders who withdraw more after collecting the grant will have to repay the grant—provided that the company fails its

obligation to report it. The terms of the government's agreements with RESP providers are still being negotiated. "We're really moving fast and had in every direction to get everything together," says Mary Flynn McRae, a senior program officer for the Canada Education Savings Grant. "It's going to be quite a bit of work and impossible."

Along with the confusion, the grant program has imposed a heavy cost on student groups. Instead of spreading expenses among some student groups, the grants are handed out that will primarily benefit middle-class families, the government should provide more funding to post-secondary institutions and push for lower tuition fees, says Brad Lavigne, the 1997-1998 chairman of the Canadian Federation of Students. Failing that, the grants should go directly to students as well, he says. The federation recommends that the cost of a four-year undergraduate arts degree, including living expenses, will rise from about \$40,000 today to \$65,000 by the time children born this year reach 17. The Bank of Montreal has put the future cost at about \$50,000, based in part on assumptions that tuition will continue to rise as they have so far this decade—faster than the rate of inflation.

RESP promoters do not hesitate to trumpet these figures. But rather than taking the federation's advice, the government is attacking bad-faith tuition fees with the forces that move financial markets. Ottawa and the finance services industry are both helping the tuition and a bit more, will ensure that Canadian universities will have to repay the grants—provided that the company fails its

HOW THE GRANTS WORK

The myriad rules surrounding registered education savings plans and Ottawa's new education grants could leave even seasoned investors scratching their heads. Some answers to common questions.

How do parents sign up for the grant?

Parents, grandparents or other adults wanting to contribute to the cost of a child's postsecondary education can take advantage of the grant by setting up an RESP through a mutual fund company, bank or other financial institution, which will apply for the grant on the customer's behalf. Several grant types of RESPs are available, including individual plans that benefit one child, family plans and group plans that pool contributions from many investors. Self-directed plans for individual children or families may hold mutual funds, guaranteed investment certificates or other investments.

Can more than one adult contribute to a child's RESP?

Yes, but total contributions may not exceed \$4,000 a year per child or \$42,000 over the life of the plan. Under Revenue Canada rules, contributions may continue for 22 years and the RESP must be discontinued after 26 years.



Are contributions tax-deductible?

No, but earnings on RESP investments are sheltered from tax until the beneficiary enrolls in a postsecondary institution and begins collecting income from the plan. Most students will pay little or no tax on an RESP money because they typically have little or no other income.

What if the child does not go to college or university?

Parents who open individual or family plans may name another child as beneficiary, as long as he or she is a sibling by blood or adoption. If no sibling pursues postsecondary education, the face value of the grant—but not the interest—must be repaid to the government. Participants in some group plans also forfeit the interest on their money. Up to \$40,000 in an RESP may be rolled over into an RESP over two years, provided the contribution room is available. That limit will be increased to \$50,000 next year. Money taken out of an RESP is taxed at 20 per cent above the contributor's usual tax rate. However, the tax burden can be spread over two years and split between spouses.

Can RESP money be used for?

RESP funds can be used for any education-related expense, including tuition, books, supplies and living expenses, provided the student is enrolled in a government-designated school in Canada or abroad.



BUSINESS

Too much overhead?

As far as anyone on the ground at Calgary airport was concerned, May 21 was like any other day. Planes took off and landed with nothing more than minor delays. Ten thousand feet above the city, however, it was a different story. For eight hours, the flight controller between Calgary and Lethbridge was kept away of airplanes because of a lack of air traffic controllers to monitor flights through the sky. Now Canada, the company that operates Canada's air navigation system, has no idea of where in Edmonton that it sent to tell air pilots who normally would have flown over southern Alberta that day to fly around. One Canadian Air lines pilot en route to Vancouver was so far as to granularity his public address system that he planned to stay in U.S. airspace as far as Billings, Wash., in order to stay as far away as possible from Canadian air traffic controllers.

A warning from air industry insiders got used to it. Across Canada, especially at larger airports, air traffic control problems are becoming increasingly common—and are likely to get worse this summer. The Canadian Air Traffic Control Association, the union representing Nav Canada's 2,000 controllers, blames cutbacks for staff shortages. The company, however, has accused the union of an illegal work slowdown following the workers' rejection of a March contract offer. Last month, the Canada Labour Relations Board sided with management, upholding an earlier ruling that fur-

bished controllers from refusing work without a drift's notice. Officially, both sides say the labor dispute is not affecting traffic, though industry observers talk about disruptions such as the one over Calgary on May 21. "We've seen a number of internal system delays over the past few weeks," says J. D. Lynn, who heads the Canadian Business Aircraft Association and sits on Nav Canada's advisory committee. "Understand they continue to have problems with the availability of staff."

The root of the current crisis can be traced back to 1991, when air traffic controllers were employees of the federal transportation department and their wages were frozen. Five years later, they were hired by Nav Canada, a private, nonprofit company controlled by the unions. Nav Canada employees received generous severance packages, and the right to retain government-style pensions—but not, when they joined the private sector. (They also lost the right to strike, which they did not have as federal employees.) So many years without a raise, however, raised big expectations when it came time to negotiate a new contract with Nav Canada.

At first glance, the drift Nav Canada is suffering does not look bad. The low-keyed controllers working at the country's smallest airports now earn \$32,094, while Toronto-based controllers make \$77,006. Nav Canada is aiming to increase those figures by be-

tween 11 and 38 per cent by 2006. But it is also pushing for a longer work week and other adjustments that bring the actual wage increase down to 12 per cent over three years.

The two sides are scheduled to meet again this week. But few people believe a settlement is close at hand. "We're headed into our last session, so this is the perfect time if they want to create a disruption," says an employee of Pearson airport in Toronto. At Air Canada's pilot, meanwhile, said he discovered while flying into the senior first day last week that there was only one controller in charge of two runways—something, he believes, of staff shortages. "I don't think it was a safety issue, but as far as I can remember it hasn't happened before," he said.

As bad as the situation may be in Canada, it appears to be worse in the United States. Last week, technical glitches wreaked havoc on controllers managing the flight of Air Force One, with President Bill Clinton aboard, twice lost vital radar data on June 11 as he tried to call a computer problem delayed hundreds of flights. Meanwhile, 10,000 U.S. air traffic controllers were ordered to undergo retraining after two jets, one of them an Air Canada A320, mistakenly aimed each other at New York's La Guardia Airport. Analysts said it was the latest in a series of errors caused partly by congestion at some of the world's busiest airports. By all accounts, congestion is not the problem in Canada. The big issue is money. Nav Canada's goal is to modernize the air traffic control system while reducing labor costs. Over the next decade, the process by which it achieves that may force Canadians to suffer through a lot of delayed or canceled flights.

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Deirdre McMurtry



Money on the move

What a difference six months can make. Already as late December, experts were calling the economic malaise Asia a controllable, manageable "correction." Since then, the problems in the area have deepened and spread. Over the past few months, its financial markets have been subjected to continuous bouts of volatility.

The volatility, exacerbated by political upheaval in Indonesia and labor unrest in South Korea, has triggered a significant flight of capital from Asia to North American and European markets. Japanese investors bought a record \$30 billion worth of foreign bonds and equities during the first 30 days of April. In the first few months of this year, about \$70 billion shifted out of Indonesia. And analysts think Asian cash represents a major chunk of the \$5.5 billion that has been pouring into American mutual funds every week recently.

Theodus of capital has had these potentially far-reaching consequences first. It has shifted fuel to the fires of North American equity markets. The injection of "hot money" has helped to keep share prices still, even as corporate earnings show signs of cooling off. But it has also added a heightened element of uncertainty to the market, because Asian capital could leave town as quickly as it arrived.

The second consequence of the Asian capital drain is that it has disrupted the region's economic recovery and delayed its recovery. In the last half of 1987, about \$10 billion in private capital flooded out of Asia. And last week, despite government efforts to prop it up, the Japanese yen fell to a seven-year low against the U.S. dollar. That happened in part because Japanese financial institutions have become net sellers of their own currency.

But perhaps the most enduring fallout from the Asian downturn is the increasing pressure to limit the free flow of capital among countries. Until recently, it was generally accepted that free movement of capital—like free trade in goods and services—is the best way to ensure that markets function at optimum efficiency. In other

words, capital will reward those who foster the best environment for it.

That assumption is now being challenged by a number of high-profile economists. Most of them focus their arguments on the existence of market imperfections—for example, unequal access to information—which disrupt capital flows and can cause severe damage to unsettled situations, such as the one in Asia.

Proponents of limiting capital flow also use the example of Chile to bolster their case. Since 1991, Chile has required that foreign investment remain in the country for a minimum period of one year. Furthermore, foreigners who invest in Chile must deposit 30 per cent of the money with the central bank for any year, without interest.

Although the constraints in Chile are high—about twice the cost in neighboring Argentina—the country has produced the most spectacular economic growth record in Latin America. Chile has also been singled out as a free trade partner by Canada and is a participant in the North American Free Trade Agreement.

Another element of the push to contain disruptive capital shifts comes, albeit indirectly, from Canada. At recent meetings of the International Monetary Fund and the Asia-Pacific Economic Co-operation Forum, Finance Minister Paul Martin advanced the idea of an international watchdog to act as an early warning system for weak financial systems. He will be calling for capital flow limits, but his proposal is part of a broader ideological trend: the resurgence of central government influence and intervention as merged corporations expand their grip and global markets expand.

Of course, curtailing capital movement is not a new idea. Economist James Tobin, for example, has long advocated a tax on "hot money" that would retard the speed at which it moves, and frequently disrupts, little economies. The debate may now be where to base any tax in the favor of funds. That is because bondholding capital is at its most destructive when, as in Asia, inflation is unavoidable or inevitable, domestic bonds are weak and government corruption distorts economic reality.

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GM DENOUNCES STRIKE

The United Auto Workers called a strike at a key General Motors Corp. stamping plant in Flint, Mich. GM said the dispute could have "far-reaching consequences" because the factory supplies parts for some of the company's most popular and profitable vehicles, including full-size pickup trucks that are assembled in Oshawa, Ont.

EATON GOES PUBLIC

T. Eaton Co. Ltd. is selling stock to the public for the first time in its 129-year history. Investors placed orders for all 11.7 million shares at \$16 each. The public offering, which closes next week, was expected to raise at least \$175 million for the Toronto-based department store chain, which came close to bankruptcy last year, but is now restructuring. The Eaton family will own 56 per cent of the shares.

INSURANCE TAKEOVER

ING Group N.V. of Holland, one of the world's biggest insurance services providers, agreed to buy Canadian Insurance Co. or Canda from Britain's Guardian Royal Exchange P.L.C. Montreal-based ING Canada sold the \$54-million takeover bid to its position as the second-largest property and casualty insurer in Canada, with new per cent of the market.

BOEING TO CLOSE PLANT

Seattle-based Boeing Co. said it plans to close its automotive factory next year, eliminating 2,000 jobs. The company had been considering plans to lay off 500 of the workers. The first blow came when the company dedicated to auto production of its MD-11 jet, which uses wings built at the plant. Canadian Auto Workers union president Buzz Meyers called for government intervention to preserve the jobs, but Ontario Premier Mike Harris said the plant is not worth saving if it cannot compete.

COMPETITION INQUIRY

The federal competition bureau is displaying a glinting gold tent between Petro-Canada of Canada and Texas-based Ultralube while it considers how the deal would affect oil refining and gas retailing. The joint venture, operating primarily in Quebec and Atlantic Canada, would have \$2.5 billion in annual sales, 5,000 gas stations and 300,000 heating oil customers.

Bre-X founder dies of stroke

The man Bre-X investors were counting on to solve the mystery behind the world's greatest stockpile has taken his secret to the grave. Mining promoter David Walsh, 52, died last week in a Nanaimo hospital, four days after collapsing from a massive brain aneurysm.

Walsh, born in Montreal to a wealthy family, followed his father into the brokerage business but, after a checkered career, began dabbling in mining ventures in the early 1980s. A large man who smoked and drank heavily, Walsh became a fixture in the city's penny trading circles. He showed great resilience when it came to his many business setbacks, bouncing back from bankruptcy to private mining stocks out of his business. In 1993, he qualified his last 100,000



Walsh, founder of Bre-X

personal assets, leaving about \$100,000 in business and noting that the rate of clawback savings. End of game? Bre-X and its managers would suddenly serve to clear his name.

Tobacco 'cave-in'

Canada's tobacco industry called it "a case in common sense." Anti-smoking groups said it was a case-in-point. The issue was Ottawa's decision to delay by two years a set of regulations that would have severely limited tobacco sponsorship of cultural and sporting events, including last weekend's Formula One race in Montreal. The rules were to have gone into effect on Oct. 1, but Health Minister

Alan Rock, hearing pressure from event organizers and tobacco lobbyists, agreed to postpone them until the year 2000.

Three years after that, Ottawa plans to impose an outright ban on tobacco sponsorship. But it remains to be seen whether that approach will work. The Supreme Court of Canada struck down a similar attempt to restrict the industry's freedom of expression, and tobacco manufacturers have already launched a similar challenge against the sponsorship rules.

FINANCIAL OUTLOOK

Canada's economy expanded by 4.4 per cent in the year ending on March 31, but most economists believe the pace of growth will soon ease because of the spending impact of the Asian financial crisis. The Conference Board of Canada, an Ottawa-based think-tank, is calling for growth of 2.5 per cent in both 1998 and 1999.

"The number of high-wanted advertisements in newspapers increased again in May, suggesting that the modest decline in employment is likely to be temporary," says Alan Rock.

"Our merchandise exports to Asia, running close to \$2 billion a month before the cur-

rency crisis, have dropped by 24 per cent in value terms," says Conference Board of Canada

"Economic and job conditions are beginning to shift upward. The western provinces, with the largest exposure to Asia's turbulence, are having a harder time keeping up with fast-growing Ontario. And the Alberta region, which has big energy-related projects to buoying prospects, is challenging for natural growth leadership."

The jobless rate held steady at 8.4 per cent in May. The number of employed Canadians fell slightly, offset by a drop in the labor force.

SCOTT BROWN

The Nation's Business



Peter C. Newman

Missing the *real* issue in the medicare debate

Healthcare delivered in their own language, some may be flown to Calgary or Toronto for surgery, and so on. That may sound pretty obvious, but it's a revolutionary stance because our system doesn't allow us to arrive at the same outcome in different ways. There has to be some allowance for variability. When everybody does something exactly the same way, you can't tell whether they are doing it well or poorly."

These arguments are not exotic. Anyone facing serious illness doesn't need much persuasion to be more concerned with the quality of care he or she receives than the fact that the treatment they get is identical, even if it is mediocre. "This is not an attack on publicly funded health care," Mathias says. "We just need to move to a different measure. The challenge is to make sure that the publicly funded system delivers a level of care that has outcomes within some kind of reasonably agreed on boundaries."

"How do we do that? It is not that difficult with all the health-care information systems that are being developed. With databases in every province on physician billing and hospital outcomes, there is a whole range of information available to us. We need to know if somebody has heart surgery in hospital A, B, and C, they all have an equal chance of doing as well as the other, and if they don't—why? That's where the research comes. We need to go to the places where the patients are not doing as well, and try to find out what the problem is."

Another concern is the attitude voice in the case of "sicker patients" who are sicker, when some require services more than others. "For example," says Mathias, "it's rational to make an elderly person with more months left have cataract surgery, when we know that procedure will, and when they do, they fracture things. There are reasonable costs to this kind of delay, but they're not being dealt with, or even recognized. The bottom line is the health-care system is health, not an administrative exercise."

The system must also be reformed to provide incentives for quality. The health-care debate should not be about hospitals, doctors, or administrators. It ought to be about what's happening to patients desperate to receive the best care.

The writers suggest an approach that would achieve precisely that, plus allowing different approaches that promote a better choice for long- or short-term health.

Mathias and Mathias have brought into the open an essential issue that deserves a thorough national debate. To become the world model it deserves to be, medicare in Canada must become as concerned about the quality of care as it already is about its accessibility. In health care, more than in any other sector, before we worry about doing things right, we must be sure we are doing the right thing.

A Cup full of possibilities

Ronaldo fuels Brazil's hopes of repeating

BY BARRY CAME

Not a single bread of sweet bread, Ronaldo's wife, unbeknownst brew. The young fellow is scarcely even breaking bread despite the exertions of the past 90 minutes. True, it has only been a friendly match, played within the stodgy confines of a pretty tree-lined pitch in provincial France called Le Stade des Trois-Saints—The Stadium of Three Mr. Trees. But the celebrated Brazilian with the shaved head and gap-toothed grin was in the thick of it from start to end, enough to score the game's only goal and, along the way, after tantalizing glimpses of his pace, power and sheer妙技 with a headlock. The very qualities, in fact, that have earned Ronaldo Luis Nazario de Lima his reputation as soccer's greatest player and established his legend. Brazil, as the favorite to once again capture what is our greatest sports' largest prize, "We have the talent to take it all," agrees the starry forward as he strides off the field among the quiet salutes in Gaze in Perpignan, a half-hour northeast of Paris. "But it's always dangerous to make predictions about something as wildly unpredictable as the World Cup."

None more so, perhaps, than the 16th version of the quadrennial world football championship that begins this week in Paris. When Ronaldo and his teammates face Scotland on June 10 in the gleaming new Stade de France in the northern suburbs of the French capital, it will mark the opening match in a tournament marked only by the Olympics as a global attraction. After the preceding 32 days, teams from 32 nations will play 64 games, drawing 2.5 million spectators to football arenas in 30 cities scattered all over France. By the time the tournament winds up, it will have attracted a cumulative worldwide TV audience projected at 37 billion. Some 17 billion TV viewers are expected to tune the final contest, on July 12, in the same Stade de France where a 21 starts, an 80,000-seat stadium in glass and steel that almost floats, double-decker, above the surrounding drabry in floral surroundings of suburban Saint-Denis.

For only the French government's \$1.03 billion



Inside playing an match against Asturias Ultima, the 17-year-old striker scored 32 goals and leads for what is arguably sports' biggest prize



to build the stadium is the architectural centerpiece of this year's World Cup. But that is just under half of the estimated \$1.5 billion the authorities in Paris have spent so far for the dubious privilege of playing host to the football fever that grips much of the world every four years. The final bill is likely to be far higher, particularly if France's always-tricky trade unions have any say in the matter. The country's airline pilots went on strike last week and senior airline staff, being threatened by other groups, ground crews walked off their planes, even the police. There is a swirl, the ever-present peril of financial stability while the world's attention—through 12,000 accredited media representatives—is focused on France. To a nation that particular threat, police in European countries rounded up close to 100 terrorist suspects two weeks ago, and last weekend the French government added another 1,000 troops to the 800 already on stand duty around the surrounding drabry in floral surroundings of suburban Saint-Denis.

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For only the French government's \$1.03 billion

to build the stadium that won the 1994 Cup is the United States. Ronaldo, then a 17-year-old, was a member of that team but never got off the bench. Now 21, he has scored 32 goals and leads for what is arguably sports' biggest prize

for the French team, though he has missed

the tournament because he has been called up for the national team. He has legs like mangled tree trunks, muscles that give him lightning acceleration and the ability to shoot powerfully—and precisely—with both feet. Over the last four years, he has burned up every league he has played in, ending at or near the top of the scoring race with PSV Eindhoven in Holland, Barcelona in Spain and Inter Milan of Italy, his current club. Among the Italian, who know something about football skills, he has been dubbed Il Phenomeno—the Phenomenon. What's more, he is incomparably well-liked by his supporters, "Just look around you," Ronaldo remarked last week with a nod at the thousands filling off the field in provincial France. There was midfield general and team captain Dunga, 34, playing on in the West Leonardo,

and the rest of the team.

England's main strength is the team's "spirit," David Seaman, 34, and goalkeeping ace Tony Adams, 31, in defense, with Liverpool's Paul Ince, 30, running the midfield and Newcastle United create-forward Alan Shearer, 27, always a threat around the goalmouth. England also possesses one of the game's young stars of the year, 18-year-old Michael Owen. The fleet-footed striker has been a sensation in his first full season with Liverpool, and, late in May in Castilla, he became the youngest ever England footballer to score an international goal, breaking a record that has remained intact for the last 80 years.

On the question of records, there is another one that is going the high-flying Brazilians' cause for concern. Ever since the first World Cup was staged in Uruguay in 1930, only one non-European team—Brazil in 1958—has ever won the coveted trophy on European soil. In France, there are a host of European squads determined to see that it does not happen again. The party-hard Rooster of Argentina is back in Italy's midfield, hoping that the country's third place in 1990 and second place in 1994 will result in something better in 1998. German star Oliver Bierhoff, 30, veteran goalkeeper Clemens Tolzien, 33, and the 1994 World Cup's best player, Michael Ballack, 22, are recently described by Brazilian sports analysts as fast and full-leaped Pira as "probably the best deal ball keeper in the business today." A measure of Brazil's depth came last week when coach Mario Zagallo was forced to drop the injured Rameiro, the 30-year-old hero of the 1994 Cup. Zagallo has not one but two replacement ready to assume Rameiro's place as Ronaldo's striking partner—Beleza, 34, an other star of 1994, and the popular 25-year-old striker Edmundo, better known in Brazil as the "Javelin" for his aggressive playing style.

Edmundo coach Glenn Hoddle, however, does not have an obvious choice to succeed Pira. Gaizka, as a midfield playmaker, The 31-year-old "Gaucho" like Rameiro a victim of advancing years and a therefore-style, was created out of the English squad, a decision that provoked an outcry among some British fans and an acrimonious debate in the House of Commons. Given Gaizka's deteriorating physique

and condition, Hoddle probably had no choice. But Gaizka's absence leaves a huge hole in the English midfield, just as the earlier loss through injury of Ian Wright has caused problems up front. Still, there are bright spots for the English team, though it may not rank among London's oddsmakers as the "best of the rest" behind Brazil and the other front-runners—Germany, Italy and Argentina.

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Edmundo coach Glenn Hoddle, however, does



Heading for a photo finish: by a nose

BELMONT DRAMA

It was supposed to be Real Quiet's race. Despite a miserable record prior to the 1998 season, the three-year-old thoroughbred arrived at New York's Belmont Park riding high thanks to emphatic victories in the Kentucky Derby and the Preakness—and expected to capture racing's coveted Triple Crown. It would have marked the first Triple Crown win in 20 years. But Real Quiet crossed the finish line of the Belmont Stakes second, a hair behind the leader behind another three-year-old upstart winner Victory Gallop, bred by Toronto's Jim Calon—the first Canadian-bred horse to win the Belmont.

Last year's race also featured an upset as Gold Candy, Gold Candy's bid was foiled by Magna International Inc. president Frank Stronach of Newmarket, Ont., beat favorite Silver Charm by three-quarters of a length. This year's race was even more dramatic. With Real Quiet in the lead, Victory Gallop—owned by brothers Art, Jack and J.R. Preston of Prestonwood Farms in Texas—drove even after a tremendous stretch drive and won the race by a nose. Trainer Elliott Walden, it was a sweet victory—given that Victory Gallop had come within a length of beating Real Quiet in the May 2 Kentucky Derby. And while Walden expressed sympathy that Real Quiet had been denied the Triple Crown, he said, "I think it's better to run the babies."

With the win, Victory Gallop earned \$670,000 for its owners. But a special bonus went unclaimed: Visa International had promised \$7.25 million to Real Quiet if the horse won the Triple Crown. It was not to be. "He's the son of the bitch," said Bob Baffert, Real Quiet's trainer, before the race. "It takes a great horse to win it." In this case, Real Quiet fell just short of the mark.

JAMES DEXTER



Students and parents at Previle Elementary School in St-Lambert, Que., call out questions to their principal. Zdyb answers them, switching easily between English and French. Many children in this unusual school on Montreal's South Shore share the same ease in both languages, perhaps because Previle is one of a few Quebec schools that offers three separate programs under the one roof: English, French immersion and French instruction. Many parents—anglophones and francophones—believe that this mix helps their children polish their second-language skills. But Previle's days as a distinct school are numbered—a casualty of the massive reorganization of Quebec's school boards along linguistic rather than religious lines. After weeks of controversy, which saw some residents protest a petition to St-Lambert city hall to get the school transferred to a local French board, the Quebec government came down with that decision last month. The school's 380 anglophone students will move out by 1999 at the latest. "It's really a sad, sad thing," laments Debbie Herricks, whose son and daughter are enrolled in French immersion. "What we had

Back to the future

Students filing past Jeanne Zdyb in the cafeteria at Previle Elementary School in St-Lambert, Que., call out questions to their principal. Zdyb answers them, switching easily between English and French. Many children in this unusual school on Montreal's South Shore share the same ease in both languages, perhaps because Previle is one of a few Quebec schools that offers three separate programs under the one roof: English, French immersion and French instruction. Many parents—anglophones and francophones—believe that this mix helps their children polish their second-language skills. But

Language rearranges Quebec's schools

could have been a model for schools in this province. "Francophone parents [would] answer them, switching easily between English and French. Many children in this unusual school on Montreal's South Shore share the same ease in both languages, perhaps because Previle is one of a few Quebec schools that offers three separate programs under the one roof: English, French immersion and French instruction. Many parents—anglophones and francophones—believe that this mix helps their children polish their second-language skills. But

Previle's days as a distinct school are numbered—a casualty of the massive reorganization of Quebec's school boards along linguistic rather than religious lines. After weeks of controversy, which saw some residents protest a petition to St-Lambert city hall to get the school transferred to a local French board, the Quebec government came down with that decision last month. The school's 380 anglophone students will move out by 1999 at the latest. "It's really a sad, sad thing," laments Debbie Herricks, whose son and daughter are enrolled in French immersion. "What we had

names, prompting another language debate among the title-show types. But the reorganization process has been especially arduous for the South Shore School Board, which runs Previle, because its mixed-language schools complicated the task. Next month, the board gets a new name (the Riverside School Board) and loses its 5,000 francophone students. It will also have to shift at least 2,500 of its anglophone students to new schools next fall. David D'Amour, the board's director-general, says, "I think we should have had two years to bring this property."

Despite the long drama and some heated English-French battles over local schools, officials at Quebec's school board association maintain that the transition has been relatively smooth. The greatest test will come in the fall. Some observers say there is potential for conflict over religion, because individual schools will determine whether they want to remain a Catholic or Protestant base, or become atheist. And amalgamated rural boards, saddled with large territories, face equally large logistical problems. The new Eastern Shores School Board with 1,700 English-speaking students in 17 schools covers the Gaspe Peninsula as well as the communities of Bas-Cassius and Schreiberville to the north of the St. Lawrence River. "Every time you have a [regional] meeting," says Stuart Richards, the board's director of educational services, "it will cost two or three thousand dollars."

Quebec schools must also grapple with another set of reforms being ushered in at the same time: Bill 160, passed last December, allows for greater autonomy of individual schools and gives parents greater decision-making power and a stronger voice in how their children are taught. The government maintains that both reforms will be long-term ones. But some, such as Ruth Baier-Miril, the head of the Montreal Teachers Association, question the damping pace. "I think it's demanded that we're making the two changes in the same time period," she says.

With the school board transition a few weeks away, D'Amour acknowledges that there are definite benefits to linguistic boards. For example, Catholic and Protestant anglophone schools will no longer compete for the same enrollment and the English community can share resources. The South Shore School Board opposed the transition, D'Amour says, because it liked the shared, bilingual quality of their system. That's the way many parents left about Previle. Now, "it's going back to what I grew up with," says 26-year-old Herricks. "The English sailed in one side of the street and the French were on the other. And you never met, you never talked and you never played together."

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WHO KILLED CANADIAN HISTORY?

By J. L. Granatstein
(Staples Culture, 155 pages, \$22)

What question, Jack Granatstein has done his bit for Canadian history. The retired York University historian has authored 45 books, appeared in historical journals, penned countless newspaper and magazine articles, and been a relentless purveyor of our collective past. He has earned the right to ask the obvious: how come Canada is probably the only country in the world not to teach a systematic view of itself in a systematic way? The Americans do it in spades. The Dutch, the French, the English—you let right down to the last Tudor. But Canada and its own accomplishments are too boring or too disreputable to certain groups. Or, worse, history is scattered about in a series of tabloid-style snapshots—Lewis Belin, the wartime internment of Japanese-Canadians, conscription—in the present low-light of the great mucky over of the Canadian experience.

Granatstein's thesis is that Canadian history has become the Latin of today's high schools and the university establishment. Yet, there are more Canadian history professors today than when Granatstein joined the York faculty in 1966, but they have broken into ever smaller factions, fighting over minor events and waiting for the most part what Granatstein calls unavoidable to race-track stage.

High schools, Granatstein argues, are also caught up in political correctness, made worse by environmentalism that has teachers overly averse not to offend. As he puts it: "The history taught is that of the grievous among us, the press-in-dip crusaders against public policy or discrimination. The history omitted is that of the Canadians and people." Meanwhile, the amount of history instruction is shrinking. In populous Ontario, the percentage of history courses in

high schools dropped from 21.4 per cent in the mid-1980s to about half that today. Ontario, like most other provinces, now has only one compulsory history course in high school, called 20th-Century Canada and dismissed by Granatstein as "a sociology speak."

The author is conscious that he is a professional who makes of a certain age argue for more books and teaching of the politics and other, largely white, males who have pushed and pulled this country forward. But that is the way it is, he contends, so that chronology is important, chronology and cause. Canadians cannot judge past events by today's standards. All they can hope to do is appropriate context for the simple pleasure of appreciating where they came from.

This is a slim, for the most part elegant, cast with only a few hobbyhorses being mounted. It is Granatstein's *Laurel for a Nation*, seen through the prism of his own discipline, with a dollop of the Cloister of the Canadian Mind thrown in for good measure. If it filters at all, it is in a whoosh. The author uses 140 broad a brush to compile his list of those who killed Canadian history—parochialized ministers of education, anti-elitist bureaucrats, writing small-minded multicultural, ethnic constituties "canned by Canada's ridiculous policies into demanding an offence-free education," a media that scratch only for visibility. Broad generalizations are dangerous meat for narrow inquiry.

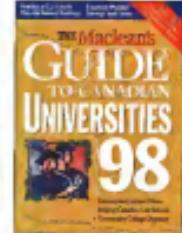
But this is also a prescriptive book. Granatstein wants a return to three years of compulsory history in public schools and a further three courses in high school, greatest in chronology and teaching both the political and social history of the nation. And he urges the federal government to establish an independent Centre for Canadian History as first step on the road to a common curriculum. A shared history? In Canada? Yeah, right.

ROBERT SHEPPARD

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Ginger snaps

After four years of *Just Spicy* and *Scary* and *Baby* and *Posh*, *For Ginger*—the oldest, brashest, and boldest of the Spice Girls—has decided to call it a day. She quit last week, citing “life differences” with the other members of the British pop group that, in the space of only two years, parlayed what they call “girl power” into a \$70-million empire. Along the way, the Fab Five released not a movie, two cassette albums, and seven hit singles. Through a most unusually dentified in the music industry as an artificially created mass-marketing tool, they managed to strike a chord among prepubescents. Toronto Mayor Mel Lastman made

Posh, Baby, Scary, Spice, and Posh: The hottest Spice girls around!

Space Girls’ upcoming *Spicy North American tour*, which begins on June 12. Last week, Ginger was packing out continental Europe, lured by a \$9-million book account and talking with the BBC about a possible TV show. The remaining four, in the meantime, are determined to soldier on, declaring last week that they “see her to stay.”

Shaking his booty on the big screen

I have long been bashful to mock the boogies-a-go-go since via, but *Bill & Ted's Excellent Adventure* will have none of that. “I thought disco was a really great moment,” the *New Yorker* says without a hint of irony. “I think it has been reduced to camp and kitsch, and I wanted to rescue it.” He has done that with his third feature, *The Last Days of Disco*, one of two releases this summer that got down 154, about the legendary New York City night spot Studio 54, starring Comedians Mike Myers and Neve Campbell, opens in August. *Bill & Ted's* movie follows a group of preppy Harvard graduates in the early 1980s as they dance all night and suffer in low-paying jobs during the day. “I did that,” *Bill & Ted's* laughs. “In fact, all three of his witty movies about young adults from



Bill & Ted's Excellent Adventure
“I did that.”

affluent families are semi-autobiographical. “I like to write about what I know,” says 46-year-old *Bill & Ted's* star in Washington, where his father was a political and progressive wit, he graduated from Harvard in 1973, and dedicated in publishing and journalism before writing and directing his first film, *Monty Python's*, in 1990. The comedy follows a group of Manhattan dentists, a circuit court that *Bill & Ted's* was part of. In 1994, came *Dracula*, about Americans living in Spain—which he did in the 1980s. In August, the filmmaker is moving to Paris with his journalist wife, *Irre*. Perfect fodder for another film.

international headlines last week after he revealed that he sent a letter to Ginger, begging her to return to the group and perform in the July concert in Toronto, for which his granddaughters, 11 and 8, have tickets.

Please get over your differences,” he wrote.

“I know you can work things out.”

At the height of their popularity, the Spice Girls flirted with South Africa President Nelson Mandela and punched Prince Charles’s bottom. Significantly, it was

Ginger, whose real name is Geri Halliwell, who applied the naughty touch to the royal be-had. The 25-year-old’s dyed red hair and stampy clothing are in keeping with an earlier career that included stints as a radio queen and a game show host on Turkish television. Problems within the group have been brewing for some time, but the first public signs emerged last month when Ginger missed a BBC television appearance and two stops on a Norwegian tour. Still, she expected a major break at the end of

Space Girls’ upcoming

“Spicy North American tour”

which begins on June 12. Last week, Ginger was packing out continental Europe, lured by a \$9-million book account and talking with the BBC about a possible TV show. The remaining four, in the meantime, are determined to soldier on, declaring last week that they “see her to stay.”



The eyes have it

It's a season of plenty at Canada's public galleries

The blockbuster may have been born in Hollywood, but it is also flourishing in the art world. This summer, public galleries across the country are offering an unprecedented number of cultural events featuring some of the world's greatest artists, including Rodin in Quebec City, Giacometti in Montreal, and the Impressionists in Toronto. Godzilla may be king of the box office but

Picasso in Ottawa and the Impressionists in Toronto, Godzilla may be king of the box office but Picasso, Manet and Rodin look like hot tickets, too. A guide to some of the season's art extravaganzas:

BY SHARON DOYLE DRIEDGER

Many of the finest impressionist works in the galleries of the acclaimed Courtauld Institute of Art in London. At least, they used to. The summer, art lovers intending to visit the venerable museum, one of the best in the British capital, will be disappointed to find that it is closed for renovations, and that the popular pieces have been shipped to the Art Gallery of Ontario in Toronto. The Courtauld Collection at the AGO (June 10 to Sept. 20 is the only North American stop for the exhibition, which was on view in Kyoto, Japan, earlier

this year. With just 80 paintings and drawings, mostly impressionist and postimpressionist, it is not a huge exhibit. And the majority of works are small so it's not surprising since the original collector, British entrepreneur Samuel Courtauld (1863-1947), displayed them in his home for several years before donating them to the British government. The art does not really matter in art. And the leap of artists—including Manet, Degas, Monet, Renoir, Cézanne, van Gogh, Gauguin, Toulouse-Lautrec, Picasso and Modigliani—guarantees that the Courtauld exhibition will be one of the top draws in North

Modigliani's Note: Courtauld kept a precious collection and popularized french artists in his native England



The Courtauld collection, a success version sketches, less detailed and less tall the size of the one now hanging in Musée d'Orsay. "It was originally thought to be a study," says Chang, adding that experts now believe this *drawmer* was dashingly made later by Monet for a private collector. That is just a tiny disappointment in a sumptuous visual feast. □

America this summer. In a few short years, from 1923 to 1925, Courtauld assembled what amounts to a historical survey of one of the most beloved movements in art. By the time the art manufacturer began collecting, the importance of impressionism—whose practitioners had already been established, but Courtauld helped bring it to the world's popularity to Britain.

Even so, the Courtauld's collection had already been established. But Courtauld helped popularize British art.

Displayed in chronological order, the show begins with pieces from the Impressionists' first group exhibit, held in a photograph's studio in Paris in April, 1874. "They were heavily attacked as too coarse," says AGO curator Alan Chong. "Critics thought the Impressionists didn't know how to draw properly, their perspective was off, their works looked unfinished." But *Le Loge*, one of seven paintings submitted by Renoir, was "a hit, by far the most praised picture, admired by conservatives and radicals," notes Chong. The intensely moody, moody portrait of a woman at the theatre, gazing boldly at the viewer, has striking features softened by shimmering light, will likely prove his enduring appeal at the AGO.

But this time around, Le Loge will share the highlight with several other masterpieces—especially Manet's *A Bar at the Folies-Bergère* (1881-1882), perhaps the most analyzed painting in art history. Degas' *Belle Etoile* (1874), considered one of his greatest ballet pictures, and Cézanne's *Mont Sainte-Victoire* (1885-1895), a famous view of his boyhood home and one of his favorite subjects. The show also includes Manet's *Le déjeuner sur l'herbe* (1863-1867), one of the most recognizable images of Western art, but not the massive canvas that gained notoriety when it was first shown at the Salons des Beaux-Arts in Paris.

The Courtauld collection, a success version sketches, less detailed and less tall the size of the one now hanging in Musée d'Orsay. "It was originally thought to be a study," says Chang, adding that experts now believe this *drawmer* was dashingly made later by Monet for a private collector. That is just a tiny disappointment in a sumptuous visual feast. □

RELISHING RODIN

Last month, Paris's Musée Rodin, the government-run institution that owns and manages the legacy of the celebrated artist (1840-1917), shipped five tonnes of Auguste Rodin's works—sculptures in bronze and marble as well as delicate original plaster casts, paintings and drawings—to the Musée du Québec in Quebec City. That precious cargo represents a major boon for a small Canadian gallery. The 100 or so artworks, many never before shown in North America, will be featured in an ambitious retrospective of the sculptor's career organized by the Musée du Québec. Rodin in Quebec City June 4 to Sept. 6 includes such famous creations as *The Thinker*, *The Kiss* and *The Three Shades*. Also on view is a collection of pencil and ink drawings, watercolors and etchings, plus 17 photographs of the artist and his work. The exhibition adds a Canadian twist to the subject of Rodin. It includes 36 pieces on loan from private and public collections across the country.

In fact, the artist's cousin, Janet Gross, notes that when Rodin was starting his career in the 1860s, the self-taught artist was more easily appreciated by North Americans than by his own compatriots. His 1917 death made from page news in Montreal. This spring and summer, Rodin will again be a star in Quebec.

The Cathedral (left) The Kiss (top) were beloved in North America



EGYPTIAN ENIGMAS

Mysteries of Egypt, an ambitious new show that opened last month at the Canadian Museum of Civilization in Hull, Que., and runs until the spring of 1999, delves into the lost secrets of one of history's greatest civilizations. At its heart is an impressive collection of artifacts: papyrus Jennings, jewelry, sarcophagi, human mummy masks, embalmer's tools, mummified animals (one, falcons and a baby crocodile) and hundreds of other pieces drawn from such major establishments as Washington's Smithsonian Institution and the Royal Ontario



Human mummy; mummy mask (left); sarcophagus

Museum in Toronto. There are also full-size replicas of sarcophagi from King Tutankhamun's tomb in the Valley of the Kings and a lifelike bestiary bearing a copy of his golden coffin. Visitors can enhance their sense of life in the time of the pharaohs with a virtual-reality tour of King Tut's and Queen Nefertari's magnificent tombs. The exhibit also marks the debut of a new IMAX film, also called *Mysteries of Egypt*, starring George Sharm. It is a suspenseful story set amid the pyramids and their treasures. Neither the show nor the film pretends to uncover the riddle of the pyramids, but both readily compare up as enthralling civilization.



Cast of Michelangelo's *Madonna and Child*; *Madonna's* (left) above (below); *stasis* and pop treasures

ECLECTIC AND ELECTRIC

It's a 10-km walk through the galleries of London's Victoria and Albert Museum, home to the largest and, arguably, the finest collection of decorative arts in the world. This summer, Toronto's Royal Ontario Museum will showcase some of the esteemed institution's most popular treasures in *A Grand Design: The Art of the Victoria and Albert Museum*. The exhibit—which runs from June 21 to Sept. 13 and is the only Canadian stop in an unprecedented North American tour—sends an eclectic mix of the wild, the wondrous and the classic, with 250 paintings, sculptures, ceramics, fashion items and other objects stretching from antiquity to contemporary pop culture. A few highlights: a cast of Michelangelo's exquisite *Bruges Madonna*, the fig leaf used to cover the private parts on a cast of Michelangelo's nude David during Queen Victoria's visits to the museum, and the outrageously high, bright-blue mock-croccodile platform shoes by British designer Vivienne Westwood that caused supermodel Naomi Campbell to stumble on a runway in 1995.



The winners of the 1998 Chalmers Awards were announced May 25 at a party in Toronto hosted by arts patron Joan Chalmers, C.C., O.Ont. The 13 winners of Canada's largest national arts awards each received a cheque for \$25,000.

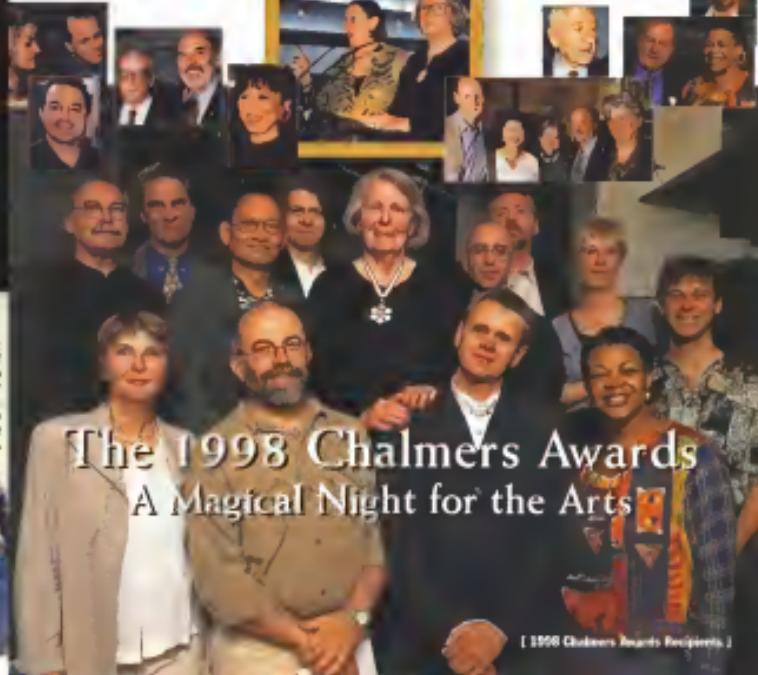
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The same evening, the arts got an extra boost when Joan Chalmers gave away an additional \$1 million to more than 20 of her favorite arts organizations.



The 1998 Chalmers Awards

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[1998 Chalmers Awards Recipients]



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PUTTING THEIR BEST FACES FORWARD

The 18th-century British explorer Capt. James Cook failed in his quest to find the Northwest Passage, but he did return to England empty-handed. On his journey up the west coast of what is now Canada, he encountered First Nations people who generously presented him with ceremonial masks, arrows, tools and other gifts. Now, more than two centuries later, two of Cook's masks are back to Canada for the first time, on display in an intriguing exhibit at the Vancouver Art Gallery. Down from the Shimmering Sky: Masks of the Northwest Coast, which runs from June 4 to Oct. 12, is a magnificently collected collection of 175 historic and contemporary ceremonial masks created by native artists. The sculpted and painted wooden icons, many of them decorated with human hair, shell beads, fur, wing, feathers and other materials, depict powerful ancestral spirits, in human and animal form. Among the most fearsome are coastal birds, creatures believed to swoop down from the Sky World seeking human prey. In recognition of their legendary power, native leaders opened the exhibit with a dance to驱散 evil spirits.

CAPTURING THE SOUL IN BRONZE

Towards the end of his life, master sculptor Alberto Giacometti (1901-1966) began to re-semble his acclaimed artworks—elongated, emaciated figures imbued with dignity, fragility and a certain existential angst. He looked, perhaps like Walking Man I, a 1960 stock-like bronze figure and one of many famous creations that appear in Alberto Giacometti, a major exhibition celebrating one of the century's greatest sculptors, at The Montreal Museum of Fine Arts from June 18 to Oct. 18. It is the first major retrospective of the Swiss born artist's work organized in Canada, and it features 173 sculptures, paintings and draw-



Large Head of Diego: the
brooding genius of Giacometti

PROMETHEAN PICASSO

Picasso is indisputably the most famous artist of the 20th century.

Love him or hate him, the man and his works are endlessly fascinating. So it is not surprising that *Access: Masters of Modern Art*—an exhibit that opened at the National Gallery of Ottawa in April and continues until



Boy Leading a Horse: work spanning seven decades of inventiveness

July 12, has already attracted more than 100,000 visitors. The show, with more than 100 works spanning seven decades, features such major but portraits as *Diego Mariano* (1921), *Diego a Mino* (1923) and *The Charnel House* (1943). And by presenting the artist's paintings, sculptures, prints and collages chronologically, the exhibit clearly illustrates Picasso's stylistic evolution and inventive genius.

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Allan Fotheringham

Government by muzzle on the Hill

There are, as it turns out, worse things than the threat of Bill Vander Zalm returning to active politics ahead of the return of the Reform in British Columbia. Hard to imagine, but there are.

Even more hideous is the extent less much of the Rightfully Correct Army, all in lockstep, knee-jerked, always searching with keen eye for what would agree to be cleaned, bawled over with Rose, in the public mind.

The entire Parliament of Canada—that would be the Plaza Parliament of the parties—with voices lowered, vowed unanimously to bar Ernst Zundel from speaking in Parliament Hill. This is the motto, of course, who denies the Holocaust and wastes all our tax dollars by going through the courts when we try to shut him up.

So he calls a press conference on Parliament Hill? So the pampered up little pip-squeaks called Dan Beedie, Liberal House leader, immediately introduces a motion "That this House order that Ernst Zundel be denied admittance to the parliamentary precincts during, and for the remainder of the present session of Parliament."

Every proud member of Parliament, aware that their integrity, courage and intelligence was as the lot, shrewdly inflates his like the balloon tests they are. And just years, three bags full.

This was in the same week, if we may digress, while they were all preparing to approve legislation that would give them an eight-percent raise over four years, double their housing allowance, and allow qualified Reform MPs who dumped their pretensions to a \$100,000 lump sum payout at instead.

The unison is all this could only be expressed by Gilbert and Sullivan. All the pomposity raised by the mouthpiece and lap-screams which deck out the Common benches was in full flower. Secretary of State for Multiculturalism Hedy Fry—herself an immigrant from Trinidad—cried out: "This is probably the clearest example of a trial without a hearing mongers. We're very pleased at Parliament's action in this case."

Sorry you are. Simply because you can't think clearly. Better to listen to Alan Borovoy, himself a Jew, and general counsel for the

Canadian Civil Liberties Association. His reaction? "I am afraid this is not a typical exercise of parliamentary discretion. It could be Zundel today and someone else tomorrow."

Of course it could. Next week? A prominent antisemitic? Or Dr. Kerr-who? Hedy Fry might sit down and have a quiet conversation with herself. The fact that the Parliament of Canada, which has other things to contend with—including loading up its pensions—would take the time to discuss one nutbar tells you a lot about Ottawa.

And the screwball? Zundel? Of course, he took out one screwy from Parliament Hill and held his press conference and got six times the coverage he might have gotten in the first place, where no one else has seriously anyway. He called free speech, which made him protected somewhere in the Charter of Rights—given to us by Pierre Trudeau, who believed in us so much he and "bulldogged" in a member opposite in the Commons, though his actual words were somewhat shorter.

This proud Liberal government, as embodied by Beedie's pipe-smoking snort, is the same one delirious in the same week by John Grace, the disguised former editor of the *Globe and Mail* who has served for seven years as Canada's privacy commissioner and right as information commissioner.

In his departing report he says quite early that "a culture of secrecy still flourishes" in the government of Jean Chrétien—oh, last time we checked, was Beedie's boss. After 12 years of the Freedom of Information Act being implemented, he found, the essential ethos of the high-level servants was doing things, doing. He quotes, in his report, the motto of an old watch dealer in New York's Tenth Street Hall days: "Never write it if you can speak, never speak it if you can nod, never nod if you can wink."

Which brought us, of course, to the now inscribed-in-the-language of Mike Python like judge-made, unscientific. Everyone knows what it means, especially the hordes of executive managers (other being the horrid Doug Young) immediately appearing on Parliament Hill as uninvited lobbyists paving the laps of this government that is so low as to barish Ernst Zundel from the Parliamentary law.

Political correctness will be the death of all of us. The previous NDP/Hcourt government in B.C. brought in legislation that eventually brought to court my old colleague Doug Collins, who grew so edified he needed poultry and called Solander's *Ex-Solander's Law*, and so wasted a ton more of taxpayers' dollars by being prosecuted for it.

Better to spend our time, as John Grace suggests, on more serious threats to our freedom. He didn't mention it, but I will. In Sweden, there is a rule: Everything government does must be open—except that which has to be deemed secret. In Canada, everything remains secret—except that which is deemed open. These guys are despicable.



Photo: AP

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"Accord is better in virtually every single important way - roomier inside, filled with more equipment, etc. - and it costs about the same, making it a much greater value than ever."

- Alex Law
THE VANCOUVER SUN

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- Graeme Fletcher
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"This is a go-get-'em sort of car - fun to drive, engaging, spirited; you look for excuses to get in and have another go."

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- Patrick Bedard
CAR AND DRIVER

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